

104
**WAR ON DRUGS IN THE WESTERN HEMISPHERE:
FACT OR FICTION?**

Y 4. IN 8/16:W 52/3

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HEARING
BEFORE THE
SUBCOMMITTEE ON
THE WESTERN HEMISPHERE
OF THE
COMMITTEE ON
INTERNATIONAL RELATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED FOURTH CONGRESS

SECOND SESSION

JUNE 6, 1996

Printed for the use of the Committee on International Relations



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CONTENTS

WITNESSES

	Page
Hon. E. Clay Shaw, Jr., a Representative in Congress from the State of Florida	5
Hon. Lincoln Diaz-Balart, a Representative in Congress from the State of Florida	9
Gen. Barry R. McCaffrey, Director, National Drug Control Policy	12
Hon. Robert S. Gelbard, Assistant Secretary for International Narcotics and Law Enforcement Affairs, Department of State	13
Hon. Thomas A. Constantine, Administrator, Drug Enforcement Administration, U.S. Department of Justice	15

APPENDIX

Prepared statements:	
Gen. Barry R. McCaffrey	39
Hon. Robert S. Gelbard	50
Hon. Thomas A. Constantine	58
Material submitted for the record:	
"U.S. Building Cuba Drug Case", an article by Jeff Leen, The Miami Herald, April 8, 1993	70
Map of Potential Cocaine Flows, 1995	74

WAR ON DRUGS IN THE WESTERN HEMISPHERE: FACT OR FICTION?

THURSDAY, JUNE 6, 1996

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE WESTERN HEMISPHERE,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC

The subcommittee met, pursuant to notice, at 2:05 p.m. in room 2172, Rayburn House Office Building, Hon. Dan Burton (chairman of the subcommittee) presiding.

Mr. BURTON. I have called today's hearing to examine the Administration's war against drugs. When I first reviewed this year's Presidential certifications on drug-producing and transit countries, I had very mixed feelings. The President identified 14 countries in Latin America as major drug-producing and transit countries. Among them he certified Bolivia, Mexico and Peru as cooperating fully with the United States in the war against drugs, while at the same time he denied certification to Colombia. He also determined that it was in the "vital national interest of the United States to certify Paraguay."

Immediately after the President's announcement, several of my colleagues in the Congress approached me to express their opposition to Mexico's certification. With respect to Colombia, others were concerned that we were abandoning the Colombian National Police, a highly respected organization which has suffered tremendously in its war against Colombia's drug cartels. I, too, am concerned that our administration has been unwilling to do everything in its power to help this reputable police force.

In total, the Colombian police and military have lost over 454 personnel during eradication and other drug operations, while 600 others have been wounded. The Colombian police now are also confronting leftist guerilla groups which have turned to drug trafficking to finance their operations, and are growing in influence.

Faced with these threats, I have been extremely disappointed with our administration's response to repeated Colombian requests for American helicopters to replace those shot down by drug traffickers. Since October 1995, I have been working to secure these helicopters for the Colombians. Unfortunately, my appeals to our administration have always been met with a wall of excuses as to why we could not deliver the helicopters.

While I am happy to learn that those helicopters were finally sent to Colombia, I am disappointed that this effort took almost 8 months. I hope future requests for U.S. support will not meet similar delays or resistance, because it can result in loss of life.

With respect to Mexico, President Zedillo seems to be saying the right things about Mexico's commitment to winning the war on drugs. Nevertheless, it is still a fact that almost two out of every three tons of cocaine entering the United States crosses the Mexican border. Ninety-seven percent of all cocaine seizures still take place at the U.S.-Mexican border. In total, it has been estimated that almost \$7 billion worth of cocaine is still smuggled across the Mexican border.

Reports of Colombian planes packed with drugs landing in Mexico, unloaded by corrupt police officers and others, are still coming out of Mexico. Given these reports, it is not difficult to understand why so many in this Congress believe that Mexico has not done enough to merit full certification.

I am hopeful today's hearing will give subcommittee members the opportunity to pursue some of these issues and provide the Administration a chance to update us on U.S. bilateral relations with the drug-producing and transit countries since the March 1 certifications.

During our hearing, we will also view an excerpt from an investigative report by a Miami television station about the use of Cuban waters and air space by international drug traffickers. The report paints a very disturbing picture. Drug traffickers, possibly transporting a huge percentage of the cocaine meant for the streets of American cities, are ducking into Cuban territory to evade detection and capture. Once they make it to Cuban air or waters, they appear to be unmolested.

We know for certain that high-ranking Cuban officials have been implicated in drug trafficking. Some are still under indictment in Florida. A trial witness in sworn testimony said he left Cuba with government orders to "fill the United States with drugs." This raises a very legitimate pointed question. Are the Cuban authorities merely incapable of stopping the drug traffickers, or are they actively and insidiously colluding with them? We hope to explore this question with our distinguished witnesses today. Needless to say, the implications for American society and for our national security are profound.

Before I yield to the subcommittee's ranking minority member, who is not yet here, I would like to introduce today's witnesses. We have with us two distinguished Florida representatives who have been very concerned about the drug problem in southern Florida as well as in the United States. Representative Clay Shaw and Representative Lincoln Diaz-Balart will be on the first panel.

In addition to that, we will have General Barry McCaffrey, director of the National Drug Control Policy; the Honorable Robert S. Gelbard, the Assistant Secretary of State for International Narcotics and Law Enforcement Affairs; and the Honorable Tom Constantine, administrator for the Drug Enforcement Administration.

With those introductions, I would like to now yield to my distinguished colleague from Florida, Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman. Thank you for calling this hearing on a very important matter, especially for those of us who come from South Florida, one of the main entry points in the United States for drugs in our Western Hemisphere. And we see, day in and day out, the need to increase our drug-

fighting efforts in our region by providing for our law enforcement officers more resources and by increasing cooperation with our hemispheric neighbors.

Over the last few years, as you have pointed out, we have seen dramatic increases in the drug shipments through our Mexican border, while at the same time drugs from some countries in South America continue to invade our shores. And it is not to say that our dear neighbors like Colombia, where many, many members of the Armed Forces and police have given of their lives battling the drug cartels, are not doing something to control this problem. But it is clear that new strategies and new cooperative efforts are needed to resolve this growing problem. And while we usually concentrate on countries such as Colombia, Mexico, Peru and Bolivia while discussing drug trafficking, it is critical not to forget the role that the Castro regime in Cuba plays in helping drug barons have their evil exports reach us here in the United States.

As you have well pointed out, Mr. Chairman, and we have had many meetings in the past on this issue, it has been well known for many years that Castro allows drug traffickers to use Cuban territory as a stop-over point for the trans-shipment of drugs to the United States. Castro allows these criminals to escape persecution from U.S. drug-fighting agencies by entering Cuban territory. Defectors of the Cuban military have actually testified that the Castro brothers are, themselves, directly involved in this drug trafficking trade.

The Office of the U.S. Attorney for the Southern Region of Florida, as you pointed out, Mr. Chairman, even has a draft indictment against Raul Castro, the head of the Cuban military armed forces, for his participation in drug trafficking. So Castro's quiet aid to drug traffickers will clearly be shown today, as you pointed out. We will be viewing a news report produced by Jennifer Snell of Channel 10 in Miami who, while on an undercover mission with a special U.S. drug-fighting task force, filmed boats and aircraft carrying drugs entering Cuban territory to find refuge from U.S. authority and all, of course, with the tacit acquiescence of the Castro regime.

And, Mr. Chairman, I have here the three tapes that we would like to give to the second panelists, the drug experts, so that they can take them home and view it with their agency heads as well, even though your committee has been nice enough to let us view it, the 2-minute condensed version, and we have here the lengthier presentation from Jennifer Snell of Channel 10 and we hope to present that to them.

Mr. BURTON. We certainly will, and we will ask them to take a look at it and report back to the committee.

Ms. ROS-LEHTINEN. Thank you. And we have to remember that this was the same regime that shot down two unarmed civilian aircraft over international waters claiming that they had invaded their territory, yet it allows drug traffickers to freely go in and out of Cuban territory untouched. Nothing in Cuba, as all of us know, can occur without the knowledge of the Castro brothers. It is inconceivable that these aircraft go into Cuban territory without the knowledge of the armed forces that seeks to protect them every day.

The reality is that Castro has found, in drug trafficking, a means to harm American society, a goal that he has been pursuing throughout his life, while gaining the much needed hard currency that he desperately needs to salvage his failed and repressive revolution. Helping the shipment of drugs is a way for Castro to harm our youth, our institutions, and, indeed, the very fiber of our society and it is time that we do all that we can to put a stop to the tyranny's assistance to the drug cartels by exposing, just as we did with Manuel Noriega in Panama, the dictator's ties to the drug barons.

I hope that the distinguished members of the Administration who will testify later today will address Cuba's ties to the drug cartels and how they plan to battle the drug barons of our hemisphere. Unless this problem is adequately addressed, we will never be able to effectively battle drug trafficking from our hemisphere and I congratulate you for selecting Congressman Clay Shaw and Congressman Diaz-Balart to head the panel today because they have been at the forefront of this battle for many years and I join you in welcoming them to our subcommittee as well, Mr. Chairman.

Mr. BURTON. Thank you, Representative Ros-Lehtinen.

Representative Menendez, do you have an opening statement?

Mr. MENENDEZ. Thank you, Mr. Chairman. I want to commend you for calling this hearing. Trafficking of illegal narcotics, and the domestic market that these narcotics have created here in the United States, is clearly one of the single most important problems that our country faces. Every year we spend billions of dollars on interdiction and on enforcement. We have spent \$30 billion on the Federal, State, and local efforts to reduce drug trafficking, and we have spent \$67 billion to cover the social costs of illegal drugs. Clearly, they could be considered the "Black Plague" of the twentieth century. Drugs have invaded our homes and our schools and selected victims in every part of the nation. They have become the new currency of the twentieth century and have created a drug culture around the globe and certainly in the Western Hemisphere.

Now, this is not a simple problem, as we all know, to stamp out. And clearly, just burning crops is not the solution in and of itself. We know it is not that simple. The fact of the matter is that I, personally, would like to see us be more visionary—not only in our interdiction efforts but also in our demand reduction efforts. I would also like to work in those countries to find alternatives to some of the crop production so that people will not choose a course of action that promotes the development of crops that would clearly create a problem here in the United States. I would like alternative crop reduction and alternative economic activities for some citizens of this country so that, in fact, they pursue a legitimate avenue rather than an illegitimate one.

And, last, I hope that when we hear from our distinguished panel about Cuba's participation with the drug trade and about drug trafficking through Cuban territorial waters and air space, we hear some specific testimony. I would like to read part of an article in the February 1996 edition of *Current History*, which was entitled, "Drugs, the Cuban Connection," and I quote from it:

"Typically, operations involve overflights by Colombian aircraft and air drops of cocaine and marijuana cargos to Florida-bound speedboats waiting in Cuban territorial waters. Such arms-length operations minimize or eliminate the involvement of Cuban nationals in the traffic. In specific cases, however, Colombian drug exporting organizations have negotiated agreements with highly placed Cuban officials in which the latter have agreed to facilitate drug shipments in return for bribes. Favors have reportedly included access to ports and air fields, refueling and repair services, naval gunboat escorts for drug leaders' motherships, and in one alleged case, a Cuban Mig escort for a Colombian aircraft entering Cuban air space."

Now, this appears in *Current History*. I do not understand why we cannot get the same type of information. We had a hearing here in the Full Committee last October 31 on this topic. On that day, I specifically asked questions about Cuba's participation in the drug trade. And at the time of the hearing, we did not get very many answers, nor have I personally received a response from the questions that were sent via the committee following that hearing.

So I hope that we are going to get a lot more definitive today and if, in fact, there are those who will claim that there is some sort of national security interest in some of the evidence that has to be adduced, then I would urge the Chairman to go to a closed session, if necessary, in order to find the information. Personally, I am tired of hearing that we cannot discuss this issue, and I believe that we have more information than that which has been forthcoming. And if *Current History* can do a better job of telling me, a Member of the U.S. Congress, what is going on as it relates to Cuban air space, then I certainly have a problem. My government is failing to tell me what is going on. So I hope we can do a better job than *Current History*, Mr. Chairman.

Mr. BURTON. I would just like to say to my colleague that I hope he will ask that question of the panel from the Administration when they appear before us here in just a few minutes because I think that he deserves an answer. And if we do have to go into executive session, we certainly will be happy to do so.

I am going to try to stick to the 5-minute rule today because we have a lot of questions. I think we will go by seniority and not just the good looks of our friend, Lincoln Diaz-Balart, so—although you are not a bad looking guy—we will start with Representative Shaw.

STATEMENT OF HONORABLE E. CLAY SHAW, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. SHAW. Thank you for that most flattering introduction, Mr. Chairman. It is a delight to be back before this committee and I must say that, to begin with, I want to compliment the Chairman and members of this committee for not only their opening statements but the fact that this committee is willing to do work on drug interdiction, the drug problem, and really focus on that as part of our relationship with our neighbors.

The question I think we ask is, the war on drugs in the Western Hemisphere, is it fact or fiction? One may believe it is fiction when you examine the amount of money spent by the United States in fighting the war on drugs. The United States alone spends over a billion dollars on drug interdiction. To assist Colombia and Mexico in their counternarcotics efforts in Fiscal Year 1996, we gave \$16 million and \$1.2 million respectively. In 1995, Colombians spent over \$900 million, which is 4.9 percent of their total budget. Mex-

ico, amazingly enough, does not have records that we could find on the amount that they spend each year to fight the war on drugs. One has to wonder how serious a country takes the war on drugs when they do not even track the amount that they spend to fight it.

Despite all this money, we are losing the war on drugs. The progress that we have made in the early 1990's in winning the war on drugs has been lost in the last 4 years. Drug use once again is on the rise.

From 1975 to 1980, I was mayor of the city of Fort Lauderdale, situated in Broward County, Florida. Through the perspective of the drug war, Broward County is one of the most heavily impacted counties in this country. I observed firsthand the destruction the drug dealer and his successors have had on our community. Each of you have seen, as well as I, the terrible economic cost of drug abuse as well as its effect on crime, high school drop-outs, teen pregnancy, job efficiency, and health care costs. Just in the 1990's, drug abuse has cost this nation more than \$300 billion and has resulted in 100,000 deaths.

I can recall my early years growing up in Miami. It was a place where we did not even have to lock our doors. And now we can see how that community has now the problems of other large cities, much of which has been caused by the increase in drugs.

After 3 years of ignoring this country's drug epidemic, I am pleased to see that this nation and its leaders are once again refocusing on this critical issue. For the past 3 years, the Administration proposed cutting the drug interdiction budget. Drug interdiction funding dropped from \$1 billion in Fiscal Year 1992 to \$569 million in Fiscal Year 1995. Even though we have recently seen a dramatic increase in the use of maritime vessels by drug traffickers to transport drugs, the U.S. Customs Service Marine Law Enforcement Program lost in this past year 51 percent of its budget, 54 percent of its personnel, and 50 percent of its vessels. These budget cuts in the interdiction resources have resulted in less ship days, flight hours and ground-based radars available for drug interdiction and have dramatically reduced the ability of law enforcement agencies to locate, track and intercept drug traffickers. As a result of these budget cuts, cocaine seizures dropped from 70,336 kilograms in 1992 to just 37,181 kilograms in 1995. Further, in 1992, the Administration cut the White House drug policy staff by 85 percent, which resulted in severe decline in Federal drug prosecutions and the amount of drugs seized at the border.

Mr. Chairman, I do not believe that I have—I think the clock is—

Mr. BURTON. The clock is incorrect. We will get that corrected, so you just go ahead and finish your statement.

Mr. SHAW. You just keep your hands off it, Mr. Chairman, please, sir.

Mr. BURTON. Careful.

Mr. SHAW. With this lack of attention to this crisis, it is no small wonder that in the past 3 years the monthly use of illegal drugs by children in eighth to twelfth grades has increased by 79 percent and the number of eighth graders who believe that trying crack is not bad has increased by 50 percent. Further, in 1995, drug-related

hospital visits rose 12 percent; cocaine-related episodes rose 21 percent; and heroin-related episodes increased by 27 percent.

What has become clear, however, is that the United States cannot win this battle alone. With Mexico as our immediate neighbor and Colombia and Cuba in much closer proximity to our borders, we need their 100 percent cooperation.

According to the DEA, 60 to 70 percent of all illegal drugs come into the United States across Mexican borders. Seventy-five percent of cocaine and 60 to 80 percent of all foreign-grown marijuana comes across the Mexican border.

Mexico has taken over the crank market. The DEA estimates that Mexico is responsible for smuggling into the United States 90 percent of the chemicals needed to make this addictive and dangerous drug. Further, Colombian drug lords use Mexico as a safe haven to store their cocaine before it is transported across the U.S.-Mexican border.

Mexico has failed to give us their full cooperation with strict money laundering laws and complying with our extradition requests of Mexican nationals wanted for drug trafficking. Moreover, the Mexican Government has been more than willing to accept the 100 helicopters given to them by the United States in the last 6 years to fight the war on drugs, but will not allow us to even monitor their use of these helicopters. They have refused to allow the United States to check their log books, fly joint missions or do overflights.

In Colombia, the Colombians' cooperation has been not much better. Eighty percent of the cocaine and 30 percent of the heroin in the United States comes from the Colombian drug lords, resulting in \$7 billion in profits for these drug lords.

Compelling evidence shows that the Colombian senior executive branch officials and Members of Congress have received millions of dollars from the Colombian drug lords to look the other way as they ship cocaine and heroin to the United States. In fact, there is strong evidence that the Cali drug cartel made a \$6 million campaign contribution which gave Ernesto Samper the election. Despite pressures from numerous political, business and church leaders that Samper either step down or be impeached, the Colombian congressional investigating commission recommended on May 23, 1996, that the House of Representatives absolve President Samper from accepting the \$6 million from the Cali cartel. This is not surprising, however, in that the commission is comprised of legislators from Samper's party which would never vote against their leader. Clearly, as long as Colombia is governed by Samper, who owes his presidency to the Cali cartel, the United States cannot rely on Colombia's full cooperation in the drug war.

The Cali cartels' corruption does not stop at the border of Colombia. The landmark case Operation Cornerstone revealed that the Cali's corruption had even reached U.S. Justice Department attorneys, including former legal counsel, Michael Abbell. The American Cali cartel lawyers accepted bribes, laundered millions of dollars, delivered death threats to jailed cartel employees, and falsified cartel employees' testimonies and evidence in drug cases.

Despite the above statistics, positive steps have been made by Colombia to fight the drug war:

- Operation Cornerstone resulted in the arrest of 59 Cali cartel members and employees.
- \$47 million of Mexican Gulf cartel assets laundered through American Express were confiscated by the Justice Department, which resulted in the arrest of two American Express employees and several bank presidents for conspiring with the Mexican traffickers.
- In Colombia, six drug cartel kingpins were arrested by the Colombian police, seizures increased slightly and eradication proceeded.
- Perhaps the most positive sign that Colombia is making progress is "Case 8000" which is an unprecedented investigation into drug corruption of more than 25 Colombian legislators and senior executive branch officials.

Mexico has also made some recent progress.

- Legislation has been submitted to Congress to criminalize money laundering.
- Further, President Zedillo authorized the Mexican Air Force to use its radar and air assets in the air interdiction program.
- Perhaps most significantly was the Mexican Federal police arrest of Juan Garcia Abrego, drug kingpin for the Gulf cartel, and his transfer to the United States to face charges of drug trafficking and money laundering.
- Most recently, the Mexican Federal Judicial Police seized more than 80,000 tablets and vials of pseudoephedrine also known as crank which was being smuggled into the United States.

In conclusion, it is time for this country to wake up and realize that we must adopt a zero tolerance for drug traffickers and drug use or we will lose another generation to drugs. While the United States must do more to combat the drug traffickers by restoring full funding for drug interdiction, our efforts to control the flow of drugs will be in vain unless we get full cooperation from Mexico and Colombia. Although we have seen some positive steps by both the Colombian and Mexican Governments, more tangible progress needs to be made by both countries and if they fail to give us their full cooperation, the United States should decertify them, impose trade sanctions and do whatever else is necessary to protect our children. After all, the United States must side with the interests of its children before the interests of our neighbor countries that permit drugs to flow freely from their country to our streets.

I would just like to summarize at this point by saying that the United States has a choice and the choice is between saving our children or saving polite relationships between other countries. To me, the answer to that question is very simple. We need to choose our children. We need to choose the future of this country. We must do whatever is necessary to wipe out the illegal importation of these terrible drugs, even if it involves the disintegration of good relationships with these countries. This is as much of an assault on the borders of the United States as would be an invading force of military might.

And I thank the Chairman for allowing me these words.

Mr. BURTON. I thank the gentleman for his comments, particularly that last part, because you struck a harmonious chord with me. After going to the fields where they grow 90 percent of the coca plants, and knowing exactly where it is, you wonder why we just do not get it.

Representative Diaz-Balart.

STATEMENT OF HONORABLE LINCOLN DIAZ-BALART, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. DIAZ-BALART. Thank you, Mr. Chairman.

Since this is a hearing, Mr. Chairman and members of the Western Hemisphere, let me start by taking just a few seconds to publicly commend our ambassador to the OAS, Harriet Babbitt, for eloquently defending the sovereign right of the United States just this week to stand on the side of the oppressed people of Cuba, the last dictatorship in our hemisphere, and for pointing out that it is precisely the charter of the OAS that recognizes only representative democracy as a legitimate form of government in our hemisphere.

Ambassador Babbitt was correct in pointing out the cowardice engaged in this week by the OAS member governments who criticized our sanctions against the brutality of the Castro dictatorship. In the process, Ambassador Babbitt demonstrated that she possesses an extraordinarily disproportionate share of the dignity that today exists in that discredited institution known as the OAS.

By the way, among the horrors with which the OAS, Mr. Chairman, manifested its complicity through its shameful action of this week, was precisely the drug trafficking of the Castro regime that I will now focus upon for a few minutes.

In 1982, Mr. Chairman, four senior aides to Castro were indicted in the southern district of Florida for drug smuggling in the United States. In 1987, the U.S. Attorney in Miami won convictions of 17 South Florida drug smugglers who used Cuban military air bases to smuggle at least 2,000 pounds of Colombian cocaine into Florida with the direct logistical assistance of the Cuban armed forces. Evidence in this case was developed by an undercover government informant who actually flew into Cuba with a Mig Fighter escort.

In 1988, U.S. law enforcement authorities captured an almost 9,000-pound load of cocaine imported into the United States through Cuba. In 1989, early that year, U.S. authorities captured a 1060-pound load of cocaine sent through Cuba to the United States.

Now, on April 8, 1993, just 3 years ago, the Miami Herald ran a story, and let me quote just a few paragraphs from it:

"Prosecutors at the U.S. Attorneys Office in Miami have drafted a proposed indictment charging the Cuban Government as a racketeering enterprise and Armed Forces Minister Raul Castro as the chief of a 10-year conspiracy to send tons of Colombian cartel cocaine through Cuba to the United States. Fifteen Cuban officials are named as co-conspirators. The Cuban Government facilitated the transportation and distribution of large quantities of cocaine destined for the United States, including South Florida," the indictment states.

Now, the existence of the indictment indicates that prosecutors believe they have enough evidence to make a case. The paper went

on to say that a finished indictment would require "Washington approval" before prosecutors could make a final presentation and obtain formal criminal charges.

"The proposed indictment names the entire government of Cuba, including its armed forces and interior ministries, as a criminal organization. The investigation targeting the Cuban Government has been given a high priority by the U.S. Attorney, according to law enforcement sources."

I end the quote there of the Miami Herald.

[The article appears in the appendix.]

Now, we could ask, is that a Miami Herald fabrication? And I maintain the answer is no.

Two days ago, Mr. Chairman, I spoke with the highest ranking Cuban defector ever, General Rafael del Pino who was, before he defected, not only the second in command in the Cuban air force but in charge of safeguarding Cuban air space. He told me that he personally testified before the grand jury in Miami, as did Major Florentino Aspillaga, another defector, and that they personally provided the grand jury with much of the evidence for this indictment.

Now, just a few weeks ago, as my colleague, Ms. Ros-Lehtinen mentioned, reporter Jennifer Snell presented a series of reports on Miami's ABC affiliate, WPLG, directly implicating the Cuban regime's conspiracy with narco traffickers. U.S. officials confirmed to Snell that more than 50 percent of the drug trafficking detected by the United States in the Caribbean proceeds from or through Cuba.

Now, ever since, Castro's been nervous that the U.S. Government would finally have to admit some Cuban participation in the drug trade. So 2 weeks ago, a propaganda show was held at the Heredia Theater in Santiago. It was called, "A Meeting of Cuban Prosecutors to Fight Drug Trafficking." They said publicly that, "Drug trafficking has increased due to tourism in Cuba," and 29 people are now, at this moment, being tried in Santiago, Cuba, "for selling a shipment of cocaine that was lost by traffickers at sea."

Now, the questions, members, that I think beg to be asked are: Will the U.S. Government continue trying to publicly hide the obvious, that the Cuban Government is, as the indictment that is ready for issuance in Miami says, a criminal organization that conspires with traffickers to import deadly narcotics into the United States?

If so, if the U.S. Government wants to continue hiding the obvious, why? If not, when will the indictment that was leaked to the Miami Herald be issued?

Why, in effect, cannot the Castro dictatorship's officials be indicted, like in 1982 during the Reagan administration, but not under this administration?

Now, I know that the time is short and we have to go vote and I had very brief time to review the testimony of General McCaffrey and of Mr. Constantine. Mr. Constantine says, "While DEA has reported incidents, there is no evidence that the government of Cuba is complicit in these smuggling ventures." I would refer the DEA to the U.S. Attorneys Office in the southern district of Florida.

General McCaffrey states nothing with regard to Cuba. I do not believe—of course, I have not had time to review this carefully; I hope I am incorrect—that the word "Cuba" is mentioned here in his

testimony. So I would hope, Mr. Chairman and members, that in our responsibility as overseers of the executive branch, we oversee their responsibility to comply with the most essential function of government, which is the protection of our young people from narcotics.

Thank you very much.

Mr. BURTON. I want to thank both of you for your testimony. Mr. Chairman, I hope you will be able to come back in just a few minutes.

We will recess briefly and those questions that you suggested we ask or pursue will be pursued when we return.

Thank you very much for your testimony.

[Recess.]

Mr. BURTON. The chairman of the Full Committee, Mr. Gilman, would like to make some remarks when he returns. While we are waiting for him, I will show the video. I hope our panelists will have a chance to look at it.

[Whereupon, the videotape was played.]

Mr. BURTON. Before we proceed with our panelists, the chairman of the Full Committee, Ben Gilman, would like to make some opening remarks.

Mr. GILMAN. Well, thank you, Chairman Burton, and I want to commend you for calling this important and timely hearing on the battle against illicit drugs in the Western Hemisphere, for bringing together these experts in our administration who are spending a great deal of their time and effort in this direction.

This region is a source of so much of the deadly drugs entering our nation, whether from Colombia or through Mexico. These poisonous substances are destroying our youth and our communities.

Colombia, along with Peru and Bolivia, with their massive coca leaf production and now the growing role of Mexico in the large-scale production and distribution of deadly speed—methamphetamine, requires our nation's serious attention. All of us concerned about the impact of these deadly drugs on our society must stay engaged and be willing to devote the resources and the attention that this serious regional hemispheric problem deserves.

The Administration has neglected the source or transit countries for other priorities in the past when developing and implementing a national drug strategy. It is committed on making treatment and correction resources available after the drugs hit our streets from abroad, but it has not provided enough and adequate resources to fight the struggle beforehand.

Not long ago, Vice-President Gore put the annual cost from illicit drugs on our society at a staggering \$67 billion per year. I believe that is a conservative estimate. Yet the Administration's national drug plan proposes to spend three times as much for treatment and corrections at home as on interdiction and international activities, including eradication, abroad.

We in the Congress have had to push hard for many months to try to get six replacement helicopters for our courageous, dedicated allies in the Colombian National Police. Helicopter replacements for those shot down in battles with drug traffickers should not take a rocket scientist to figure out the need, and respond to those kinds of critical needs.

I am told that those helicopters were finally sent to Colombia last weekend at about the same time another of the police aircraft was being shot down by the traffickers. Today, I hope we can get answers to why there are such long delays on this kind of a simple request, and why we have not seen funding for other source country programs such as vetted units which have worked and can inflict major disruptions on the traffickers' operations.

In addition, we need to know if Mexico, like the nation of Peru, is serious and has the political will to consider the aerial shootdown policy approach to these deadly drug traffickers in order to get this drug crisis to our south under some control. Too often in the past we have heard a great deal of promises but few deeds. I look forward in getting answers to these and other questions. I again compliment our subcommittee chairman for bringing continued attention to the battle against illicit drugs in the Western Hemisphere and I look forward to hearing the testimony of our witnesses.

Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Chairman.

We really appreciate you gentlemen being here. I would like to start with General McCaffrey.

If you do not mind, I would like to also have you sworn in.

[Witnesses sworn.]

Mr. BURTON. Thank you. Please be seated.

General McCaffrey.

STATEMENT OF GENERAL BARRY MCCAFFREY, DIRECTOR OF THE NATIONAL DRUG CONTROL POLICY

General MCCAFFREY. Thank you, Mr. Chairman, for the opportunity to come over and lay out in perhaps some detail our current strategy, particularly as it relates to international aspects of the drug problem and to then respond to your own questions and interests.

If I may, sir, let me perhaps request that I enter for the record a statement I submitted earlier. I made one pen and ink change to it on the front page, but it is an attempt to deliberately lay out, in some balance, what the U.S. national strategy is.

Mr. BURTON. Without objection.

General MCCAFFREY. Sir, I would also point out that I have provided you and your colleagues a copy of our National Drug Control Strategy and also a set of briefing slides. It is an evolving document that I have tried to use to capture the numbers that describe this problem.

The numbers, in many cases, are soft. They are subject to various disputes. But it will at least give you a notion of what I have found persuasive to describe the problem. And so these two documents I would commend to your attention.

I have also given each of you—and I do this symbolically to underscore what I am personally up to—a copy of an ad in a popular magazine that is an example of the kind of work being done by the Partnership for a Drug-Free America, Jim Burke and his associates; but it is a descriptive and very touching ad about heroin abuse in children. And, clearly, as we look at the universe of challenges that all of us face, whether it is foreign service, law enforce-

ment, HHS, education, all of it comes back to try and protect American children from drug abuse. We have an ongoing emergency, in my judgment, in which drug use among young people in America has more than doubled in the last several years. So even though, in a macro sense, we have seen drug use in America decline by half in the last 15 years, we have seen cocaine use go down by 75 percent, we still face two major problems. One is an emergency among American young people and second is a continuing, major problem among chronic drug abusers.

The number one use is some 2.7 million of them, perhaps a little over two million, chronic abusers of cocaine and more than 600,000 heroin addicts, this population causing enormous misery not only to themselves but to their families, their neighborhoods and America. And the levels of misery are hard to describe in numerical terms but suffice it to say that the number Mr. Gilman provided, I think, is entirely underestimating it, about \$69 billion a year. The macro number we use is in the decade of the 1990's, 100,000 dead and \$300 billion in losses to America. So that is the problem we are going to face up to. Our general strategy, as you know, Mr. Chairman, we tabled in front of the American people in Miami. We did that city and we used the school as the location deliberately to underscore that it is possible to do something about this problem. It is not hopeless and I would indeed suggest that that is one of our major challenges, that many responsible men and women in public life actually believe that you cannot close with either the supply or the demand functions. We believe it is possible.

The 1997 budget that we have put on the table in front of Congress that you are now considering, I believe, is a sound attempt to face up to that responsibility. It is \$15.1 billion. It is a 9.3 percent increase over last year's funding and it includes more than a 7 percent increase in interdiction. It is about a 25 percent increase in our source country strategy, which I think is going to be a big pay-off. And then, finally, it includes about a 25 percent increase in funding for the southwest border. We believe that more than 70 percent of the drugs coming into America come through the Mexican corridor, either Mexico or the eastern Pacific, and so there is a very substantial resource bill, in our judgment, to be paid to cooperate with Mexican authorities to try and close off that access point.

In sum, we think we have a reasonably balanced and effective budget and I look forward to reviewing it, though, and listening to your own views on its adequacy.

Thank you, sir.

[The statement of General McCaffrey appears in the appendix.]

Mr. BURTON. Thank you, General.

Ambassador Gelbard.

STATEMENT OF HONORABLE ROBERT S. GELBARD, ASSISTANT SECRETARY OF STATE FOR INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS

Mr. GELBARD. Thank you, Mr. Chairman.

It is a pleasure to be here today, Mr. Chairman. The support and encouragement we receive from this distinguished committee is essential to the success of our drug control policies and programs. We

are also working closely with General McCaffrey and Administrator Constantine to give fresh impetus to the range of our initiatives.

Before I review, in particular, our drug control efforts in this hemisphere, I want to add a cautionary note. Our efforts must be sustained. Success in a single year is not permanent. I believe firmly that our funding request of \$213 million for Fiscal Year 1997, provided it is sustained and incrementally increased over time, provides insurance for drug control programs with measurable results.

I would like to put U.S. budget figures into perspective. Our entire international counterdrug budget in Fiscal Year 1995, including military and Coast Guard support, came to about \$850 million—6 percent of the total \$13.3 billion anti-drug budget. The United States international drug control budget is the equivalent of 8.5 metric tons of cocaine. Single-cargo flights into Mexico have carried more cocaine than that.

The approximately 130 metric tons of cocaine that Latin America and Caribbean nations seized with our help last year have a street value as great as our government's total anti-drug budget. In fact, my bureau's 1997 budget request for international drug and crime control programs represents just over 1 percent of the total Federal drug control budget request.

President Clinton's 1993 decision to adopt the source country strategy was, in my view, inevitable and appropriate. Over the past decade, we helped producing countries build interdiction forces to target production and transportation centers. At the same time, we expanded our own resources in the Caribbean in the hopes of stopping the rising tide of cocaine before it reached U.S. shores.

Despite successes, however, it became clear we would never be able to stem the flow of drugs from South America or Mexico by focusing on interdiction alone. The traffickers would always be able to put another shipment in the air or in the water. The adoption of the source country strategy was in no sense an abandonment of interdiction or the transit zone. Interdiction in the transit zone remains a critical element of the overall strategy, as can be seen in the vigorous bilateral efforts underway with Mexico.

The President's directive, PDD-14, recognized, however, that our resources are finite and are too widely disbursed to have a major impact on trafficking. The President therefore directed us to focus on the drug crops; the kingpins and their organizations; and the production and trafficking networks in the heartland of the trade, particularly the three Andean source countries of Colombia, Peru and Bolivia.

The ultimate objective of our source country strategy is to stem the flow of drugs to the United States. Our most effective means of achieving and maintaining positive results are training and assistance programs that help the source countries develop strong legal frameworks and help build credible, democratic institutions. Strong institutions will be better prepared to eradicate and control cultivation, to dismantle top crime and drug syndicates through investigation and prosecution, and to interdict drug shipments.

Our other key weapon is eradication of both coca and opium poppies which provides the means to eliminate the source of the illegal trade completely. In the key source countries, eradication must be combined with sustainable alternative development in order to en-

sure that producers have viable means of supporting themselves once they abandon the trade. Without this carrot, governments, especially fragile ones, cannot wield effectively the stick of eradication.

Even against the backdrop of very limited resources for alternative development last year, some substantial strides were made. Colombia continued its U.S.-supported aerial eradication program. Bolivia manually eradicated almost 5500 hectares of mature coca, destroyed seed beds and new planting and implemented a successful alternative development program. And Peru has just started an eradication effort.

In Mexico, respectable strides against opium poppy cultivation were made with eradication of over 60 percent of the 1995 crop. In Colombia, with U.S. support and training, the antinarcotics police have spearheaded the nation's efforts to dismantle the production and trafficking infrastructure of the world's most productive traffickers. Moreover, the national police's capability has been upgraded further by the six additional UH-1H helicopters which we have delivered primarily in support of eradication.

Within the next few days, the Colombian Chamber of Deputies will issue a judgment on the basis of evidence provided by the prosecutor general on whether or not President Samper should be tried by the Colombian Senate on charges that drug traffickers contributed millions of dollars to his 1994 Presidential campaign. We have expressed our concern about the credibility, impartiality and thoroughness of the Accusations Commission which has recommended to the chamber the President's exoneration.

I want to stress again, Mr. Chairman, that only a full and transparent review of the charges by the duly elected representatives of the Colombian people could put an end to the current political crisis in that country. In the meantime, we are reviewing—

Mr. BURTON. Excuse me, Ambassador Gelbard. Are you about ready to conclude your remarks?

Mr. GELBARD. I could.

Mr. BURTON. Because of the questions that we have, could you submit the rest of your statement for the record? Then we will get to the questions a little quicker.

Thank you, sir.

[The statement of Mr. Gelbard appears in the appendix.]

Mr. BURTON. Mr. Constantine.

STATEMENT OF HONORABLE THOMAS A. CONSTANTINE, ADMINISTRATOR, THE DRUG ENFORCEMENT ADMINISTRATION

Mr. CONSTANTINE. Congressmen, I will also be submitting a statement and I want to thank you and the rest of the members of your committee.

Since I was last here before this subcommittee, I think it was in March of this year, there have been some improvements in our cooperative narcotics control efforts, and specifically and notably in Mexico.

I come to you from a law enforcement background and my remarks will be within those parameters. The groups that we are facing now are well-financed organized crime syndicates. I think many Americans, if they are asked to define organized crime, will remem-

ber names such as Vito Genovese and Paul Castellano and Carmen Gigante and John Gotti. I had worked for a long time, in essence, against those organizations.

Those groups are waning in power and control. However, there are new groups operating within the United States that are really controlled from outside of the United States; specifically, in Colombia and in Mexico. So if we were to make a new version of the godfather, that would include the Rodriguez brothers or Carillo Fuentes or the Arellano Felix brothers.

This is not mere speculation. We have documented this in a major investigation that we culminated about 3 or 4 weeks ago that we called Zorro II. This was an investigation that spanned Colombia, Mexico and the United States. We can take people back to the boardrooms of Cali, Colombia, where decisions are made, to the transportation centers in Mexico, to how and when the drugs cross into United States and who controls smuggling on the southwest border. We can take that loop all the way to a crack gang in Rocky Mountain, North Carolina and we can demonstrate exactly how these organized syndicates are tightly controlled from outside of the United States.

In this one investigation, which required 90 court-authorized wire taps, ten Federal agencies, and 42 State and local police departments, we seized \$17 billion in cash and over three tons of cocaine. But, more importantly, we arrested the leadership of those organizations as they operate inside the United States. So every time that there is a State trooper on the eastern shore of Maryland who is assassinated by a crack gang, every time there is an innocent bystander in southeast Washington killed by drug traffickers, in essence, these organizations play a role in that.

Also, we have learned in the United States, painfully from our experience in organized crime, that these groups cannot flourish without the influence of corrupt authorities. They operate in a synergistic fashion.

We have had some good work and some good fortune in the last year. Let me talk first about Colombia. The drug organizations in Colombia operating out of Cali have been really dealt a very serious blow. The arrests that started on June 9, almost a year ago, of Gilberto Rodriguez and the rest of the people who run it stand out in my mind as the most significant organized crime arrests that have been made since the Appalachian raid of 1957.

Those individuals arrested have caused a great deal of instability in the organized crime syndicates in Colombia. Let me point out to you a couple of results in addition to their being brought to justice. In executing one of the search warrants looking for Miguel Rodriguez in Cali, Colombia, although we missed him, we found all of the business records and all of the records of potential corruption during the course of that investigation. These documents allowed the prosecutor in Colombia to bring charges for corruption and it has allowed us to institute sanctions provided for in the executive order signed by President Clinton in 1995 called the International Emergency Economic Powers Act (IEEPA). It is probably one of the most significant sanctions and most damaging tools against organized crime in Colombia.

We now have 282 individuals and companies of this Cali cartel who have been placed on this list and, in essence, are out of business. The prosecutor is pursuing the corruption charges.

During the course of that investigation, I was asked often what I thought would happen in Colombia. I said, as a result of instability, if America is any model, we will have a great deal of chaos. We will have a great deal of violence as individuals try to take control of that drug organization. That is exactly what has happened in Colombia including last week the son of Mr. Rodriguez, William Rodriguez, was the subject of an assassination attempt. Six of his bodyguards were killed and he was wounded six times. It was not unlike some of the gang wars that we have seen in the United States in the 1950's and 1960's.

As I have mentioned, in Mexico there have been a number of laws, including organized crime legislation, that have been passed. They will be very valuable tools, if applied. We do have major organized crime groups there presently that as yet have not been checked, or arrested, or sanctioned. I have those names. They are part of my statement. The outlook for cooperation with the government of Mexico appears optimistic, not only from my position as an administrator, but more importantly from my DEA agents who have served there continually. They are optimistic about the improvements they see. A lot of these improvements, I think, are the result of work by General McCaffrey and Ambassador Gelbard and Jamie Gorelick who started this ball rolling in a very positive fashion.

As far as Cuba goes, I think, even before the questions start, that it is important for us to know from a law enforcement background that in order for us to conduct an investigation that will lead to an arrest, an indictment, or a conviction, we need evidence and information. That means we have to have access to citizens. We have to be able to conduct surveillance, visual or technical, to be able to produce that type of evidence to corroborate statements that we have.

I think it is important for everybody to know that when you have a society that exists outside of our ability to control any of those events, the ability as a law enforcement official to corroborate information and to use it for an indictment is very difficult. Many of these concerns are covered in-depth in my statement, Congressmen, so thank you very much.

[The statement of Mr. Constantine appears in the appendix.]

Mr. BURTON. Mr. Constantine, I do not know if you heard Congressman Shaw, but he expressed very vividly the frustration many Members of Congress feel. The number one responsibility of this government should be to protect our children, our families, our streets, and our country from the plague of drugs and drug-related crime that is taking place. And he said, and I concur (I may paraphrase him a little bit) that there should be no sanctuary or no place for these drug dealers to hide.

We ought to have learned one thing from Vietnam and that is the importance of going after the enemy. You cannot give him sanctuary some place and ever hope to win the war. If you cannot attack in North Vietnam, or Cambodia, or Laos, and those are sanctuaries for the enemy, then every time they get in trouble they will

just go back there. You are talking about these drug warlords who are now the "godfathers" from outside the United States. They, in effect, have some kind of sanctuary. We have been able to get some of them, but there are many who are getting away with bloody murder.

So, before I ask my questions, I would just like to say that there should be no sanctuary. They are killing our kids. They are ruining our society. They are costing us hundreds of billions of dollars. We do not know exactly how much. We need to go after these crudballs wherever they are hiding—under whatever rock they are hiding. And that also includes, as you indicated, Mr. Gelbard, the eradication program that is taking place.

You said there is a manual eradication program going on, if I am not mistaken, in Bolivia. You said in Colombia there is an air dropping of herbicides that is working. And in Peru, you said there is an eradication program. Now I was in Peru and the eradication program they have in the Upper Huallaga Valley consisted of people running around with little metal weed eaters cutting down approximately one acre a day. That is not an effective way to eradicate. I hope that some day this will get through to everybody, including the President. We have to have some moxie. We have to say we are not going to allow drug lords sanctuary and we are not going to give them the ability to grow these illegal crops outside of the United States and then sell them in our country to our kids. The way you do that is you go in with an environmentally safe herbicide like Tebuthiron or Spike, and you eradicate the narcotics-producing plants.

Mr. Gelbard, you mentioned the need to give those campesinos some way to live while they are coming up with alternative crops. That would be very cost-effective, with \$50 a month for each campesino, and we would eradicate those drugs. They could not produce them. They cannot make cocaine or coca paste if they do not have coca. So once you eradicate coca plants, you solve that problem.

So I would just implore you to take this message back to the President and the other leaders in your field: do not give the cartels any sanctuary. Go after them and go after the product at its source. When the drug lords move to these designer drugs in these laboratories, they will be easier to find than when they are producing them outside. Although, we can track these illegal crops with our satellites.

Now you indicated, Mr. Constantine, that you needed some concrete evidence in order to go after the Cuban Government. Are you aware of the testimony of General Rafael del Pino or of Major Florentino Aspillaga?

Mr. CONSTANTINE. I heard it this morning or this afternoon here.

Mr. BURTON. Both of these men are high-ranking Cuban defectors who are here in the United States under assumed names now in the Witness Protection Program. They appeared before the grand jury in southern Florida, and they placed high-ranking Cuban Government officials in specific locations where coca was coming into the country. One of those people who they specifically mentioned was Raul Castro, when a planeload of drugs was off-

loaded in an area where General del Pino was located and he actually saw it.

So there is no question that the leadership all the way up to the top of the Cuban Government is involved in narcotics trafficking. I will have the defectors subpoenaed or will bring them before the committee and I will try to keep them in anonymity as much as possible to testify. But I would suggest that you talk to these individuals and try to get them to testify here in the United States and try to, even in absentia, indict those officials in Cuba to continue to put pressure on them because there should not be any sanctuary for drug traffickers.

You saw that television interview earlier during this hearing. There is no question in the people's mind who were down there doing that television documentary, that drug traffickers are using Cuban air space and sea space to transit drugs. This is occurring only 90 miles from our border.

I have many other questions about Mexico and other transit countries, but I want to be fair to my colleagues. Let me yield to Chairman Gilman and then I will get to questions from you folks in just a minute.

Mr. GILMAN. Thank you, Mr. Chairman.

General McCaffrey, why must we ask our friends to wage a war, which is what this is, in places like Colombia where five Colombian National Police helicopters were shot down and were not replaced for months until Congress is forced to intervene to try to get those choppers? What was the delay all about?

General MCCAFFREY. Well, you would probably get a more coherent answer out of Secretary Gelbard. Let me, if I may, though—

Mr. GILMAN. Well, if it is Secretary Gelbard's bailiwick, why do not you answer it, Secretary Gelbard?

Mr. GELBAR. Certainly, Mr. Chairman.

The answer is that we were prepared to provide UH-1H helicopters, which is all that we have, from the very beginning to the Colombia National Police. I offered them both to Minister of Defense Esguerra and to Police Commander General Serrano. They asked for Blackhawk helicopters, which we do not have.

I repeated these offers a number of times and continued to repeat them. It was only in late April when I met with Minister of Justice Medellin and Colonel Gallego, the head of the antinarcotics police in Vienna, when I repeated this offer one more time. They finally agreed to accept UH-1H helicopters and we subsequently arranged for their delivery.

Mr. GILMAN. Did not they tell you they would be willing to take UH-1H's back in December?

Mr. GELBAR. No.

Mr. GILMAN. You never received that word at all.

Mr. GELBAR. We never received it. In fact, what I offered was to provide spare parts and maintenance for the Blackhawk helicopters they possess if they were prepared to use those for counternarcotics operation for the police. The helicopters are actually in the possession of the military. That offer remains outstanding.

Mr. GILMAN. And, General McCaffrey, why are such extensive amounts being spent for treatment and jail after the drugs get

here, rather than putting more money to try to prevent these drugs beforehand from getting here?

General McCAFFREY. Well, clearly, if you look at the \$15.1 billion we have on the table, or go to last year's enacted money, 55 percent of it was spent on prisons and law enforcement. And, until we come up with a better drug education and prevention program, we are probably going to see increased numbers of Americans in jail—a million at the State and local level right now, 100,000 at the Federal level. And we, of course, agree strongly that you have to pay the bill for a strong law enforcement program here in the United States, without which neither drug treatment nor education works very effectively.

The treatment bill has been about 19 to 20 percent for the last several years. We think there are some forms of treatment that are effective, particularly for those two-thirds of the chronic drug addicts in America who are involved in the criminal justice system in a given year. They are either under arrest, in prison, or on parole.

Until we get effective drug treatment for those people, we are going to throw them back out in the streets where they commit 170 some odd crimes a year in our society. So it is just a dreadful burden that our neighborhoods pay.

Mr. GILMAN. What percentage of our funding is spent on treatment?

General McCAFFREY. About 19 or 20 percent.

Mr. GILMAN. And how much on eradication?

General McCAFFREY. The total interdiction budget is a little over 9 percent in the budget coming up.

Mr. GILMAN. That is interdiction. I am talking about eradication at its source.

General McCAFFREY. And a little over 1 percent is spent on source country programs and of that you would probably get a better answer from Ambassador Gelbard on what percentage is on eradication.

Mr. GILMAN. Ambassador Gelbard, about the percentage of funding that we spend on eradication.

Mr. GELBARD. Mr. Chairman, I would be happy to try to give you an estimate for the record. But let me say it is a relatively small amount—

Mr. GILMAN. Is it 1 percent, as General McCaffrey is indicating?

Mr. GELBARD. General McCaffrey said that 1 percent goes to our source country strategy. Of that, of course, even a smaller amount goes to eradication because that part of the budget also includes support for helicopters, for law enforcement operations—

Mr. GILMAN. Why are we spending such a small amount of funding, a limited amount of funding, on eradication?

Mr. GELBARD. For two reasons. One, because our budgets are much less than we have requested. For example, the current request for Fiscal Year 1997 in the House Appropriations Committee is only 70 percent of our request.

Second, we were—

Mr. GILMAN. I am not talking about the bottom line of what you are getting. I am talking about the percentage of the budget that you are allocating for eradication.

Mr. GELBARD. That was the second issue I was about to mention, Mr. Chairman.

We work with governments and we try to have a balance between requests for helicopters and support for eradication and we have to have a balance so that we can supply the helicopters that we are asked for to the Colombian police and to others and to supply support for eradication efforts. And we try to do all of those things.

Mr. GILMAN. Well, is not eradication an important part of our drug strategy?

Mr. GELBARD. I am a strong believer in it and we do believe it is a critical element in our source country strategy.

Mr. GILMAN. And yet we are spending only 1 percent of our funding on eradication; is that correct?

Mr. GELBARD. No. No, Mr. Chairman. What I said was—and I said this in my testimony—

Mr. GILMAN. Well, just correct my statement. What percentage of our overall budget are we spending on eradication?

Mr. GELBARD. The figures I have been given are that we spent about \$14.5 million for eradication last year and the host countries also put in funds—

Mr. GILMAN. What percentage of our budget is that \$14.5 million?

Mr. GELBARD. Of my budget, it is probably about 10 percent.

Mr. GILMAN. And of all of the overall funding spent on our drug war, we are spending about 19 to 20 percent on treatment; is that correct?

General McCaffrey. The figure is 19 percent last year. I think it is 20 percent this year, right.

Mr. GILMAN. And how much are we spending on drug enforcement?

General McCaffrey. The combined law enforcement and prison total is—

Mr. GILMAN. Forget the prison allocation a moment. I am talking about law enforcement. Of interdiction, enforcement on our shorelines, going after the drug traffickers. How much have we spent? What percentage of our drug money is being spent in that direction?

General McCaffrey. Well, the way you asked the question, I do not know because the interdiction is accounted for separately than law enforcement. But law enforcement—

Mr. GILMAN. Mr. Constantine.

Mr. CONSTANTINE. Maybe I can help you. Our budget this year, if it goes through—and I hope very much of it does—is about \$1,200,000,000. But, also, I know that there is a great deal more money spent at the State and local level, which is a combination of Federal grants under the Byrne program, weed and seed program, community policing program and a whole host of different funding streams, along with that which was spent at the local level.

I think when I was superintendent of the State Police in New York, we had almost \$25 or \$30 million just in that agency devoted to narcotics enforcement. So the amount of money that is spent on narcotics enforcement nationwide is substantial. It is probably, I

am going to make an estimate, \$10 to \$15 billion a year just on enforcement money.

General McCAFFREY. The total we use is \$33 billion of Federal, State and local money for all programs, of which a substantial amount—the majority—is law enforcement and prisons.

Mr. GILMAN. Well, I am looking at a pie chart that came out of your Executive Office of the President and the pie chart shows the President's Federal Drug Control Budget Request by Detailed Function, 1997 and I am looking at percentages from that pie chart, and it shows that of the total funding we spend, about 19.3 percent is on treatment. We are spending about 13 percent on investigations. I assume that that is trying to pursue the drug traffickers. And then, with regard to correction, we are spending 17 percent. And I am trying to find what we are spending here on eradication and international, I guess, is 2.7 percent.

Is that the eradication aspect of it, Ambassador Gelbard?

Mr. GELBARD. Mr. Chairman, I do not know if it is 2.7 percent. It is 10.5 percent of my budget.

But the point I think that is important to make is that, to the degree we can get more funding, we will devote significantly more to eradication efforts both in the Western Hemisphere and in the Eastern Hemisphere.

Mr. GILMAN. But my main question is, why are we out of kilter? If our thrust has to be to eradicate the supply, to interdict and to enforce, why are we spending so darn much—20 percent of the budget—on treatment and so little in some of these other important areas?

This is a pie chart. This is the treatment area. I am asking the whole panel.

General McCAFFREY. Well, let me, if I can, address a piece of it. I think your point is a good one in that interdiction source country operations are an area of tremendous payoff. It deserves a serious effort. It is getting one. It could use more resources.

I was very disappointed yesterday to learn that not one person spoke out in favor of full funding for Ambassador Gelbard's funding on INL and foreign operations. So we are not going to get full funding on what we requested and I concur completely with your viewpoint.

Mr. GILMAN. Where was that that you say—because I fully authorized it in our authorization bill.

General McCAFFREY. Right.

Mr. GILMAN. Where was it that you got short-changed?

Mr. GELBARD. As I mentioned earlier, the House Appropriations Committee has marked \$150 million of the 213 requested—that is about 70 percent—and that, obviously, is significantly less than we would have hoped for, Mr. Chairman.

General McCAFFREY. And we would support full funding.

Mr. GILMAN. Well, I am exceeding my time and I do not want to invade my colleagues' time. But I would hope that our panelists would take another look at the proportions of the dollars that you are spending for treatment compared to some of the more basic elements of eradication, interdiction and enforcement. It seems to me to be out of whack.

Thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Chairman.
Congressman Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Gentlemen, I appreciate your testimony. I took time, during some of the other questioning, to read through it. So I am fairly familiar with either what I heard in the testimony that was given orally, or with what you wrote and I have a couple of lines of questioning I want to pursue, starting with Mr. Constantine.

I was reading through your written testimony and under the heading of "the Cali mafia and the situation in Colombia", the first paragraph of that, which is, I think, your page four, says, "The significance of last year's arrests cannot be overstated. Masterful police work on the part of the Colombian National Police working with DEA and other U.S. Government agencies led to these arrests, which represent the most serious blow to international drug trafficking in history. During the months following these arrests, the world learned how influential these traffickers really were within the Colombian Government and Colombian institutions. Dating back to the first series of raids in Cali in 1991, and, in particular, after the three Cali principal arrests in 1995, thousands of key documents depicting the Cali mafia's financial empires have been seized."

And then it goes on to talk about some of the things that I think you said in your oral testimony about President Clinton being able to use that as part of the IEEPA.

How does one reconcile that—and this can go to you or to any of the other members—how does one reconcile that, which is a very extraordinary statement, with what is happening in Colombia today?

Mr. CONSTANTINE. Well, part of the things that are happening in Colombia today are a result of those arrests. I think it is important to put it in the perspective of these powerful criminal organizations had gone unchecked, unsanctioned, never arrested. We had indicted them in virtually every Federal district in the United States beginning in 1985.

When they were arrested and the information that was found in those records, some of it was used by us for the IEEPA statutes because they were businesses that had to be targeted. Those things that dealt with influence or possible connections between the mafias in Cali and officials in Colombia were turned over to the Fiscale.

Those investigations that you see going on presently involve the Minister of Defense who is in detention. Statements have been made by several other ministers who were under investigation. Those are a direct by-product of those arrests. If those arrests had not been made and those records had not been seized, without that evidence, today's events would not occur.

Mr. MENENDEZ. My only question that was raised by that paragraph is this: it would seem to me that if the highest levels of Colombian executives are permeated by the allegations that are presently withstanding, then it would follow that the Colombian National Police and the Colombian authorities would not have cooperated to the degree that they did. Why would they expose themselves by obtaining all of these documents?

Mr. CONSTANTINE. Well, I have to give you my parameters, which is I deal with the Colombian National Police and, to a lesser degree, the Fiscle. We deal very closely with General Serrano and Colonel Gallego, who has been mentioned here previously. We find them to be honorable people of great integrity who have taken great risks in many ways to make sure that these events took place.

When the investigations were culminated—in fact, let me go back a little bit before that. When General Serrano took over the Colombian National Police, he had to eliminate 9,000 positions from that police department because of corruption allegations or corruption influence. He had to establish within his own organization a group of people who could be highly trusted to carry out these lightning-like raids which took place last summer and it is the first time it ever happened. And the results of that have been very, very positive. So I think those statements that I put in the written comments, I would say, would stand up if looked at from the perspective of law enforcement accomplishments.

Mr. MENENDEZ. And did you find, in the course of that process, any impediment, any obstacle, any attempts to influence, on behalf of the highest levels of the Colombian Government, the process which you just described from happening? Did you find any impediments along the way?

Mr. CONSTANTINE. Well, there are numerous impediments. This was a very difficult task.

Mr. MENENDEZ. No. I am saying not the normal impediments one would perceive in extracting 9,000 people. I am talking about did you find evidence of any tangible involvement of the President of Colombia, or of anybody in his administration, that would impede in the process of providing the operation that led to, what you suggest is, the most significant—let me use your words—“the most serious blow to international drug trafficking in history”?

Mr. CONSTANTINE. That is what I was trying to continue with, Congressman, to show you how difficult that was. As far as the corruption investigations of Colombian officials or any other country, that is not the role of DEA. We turn that evidence over to the prosecutor.

But, to show you how difficult it was, the one investigation that is presently ongoing is that the Minister of Defense—who, at that point in time, it is well to understand that the Minister of Defense controlled all the activities of law enforcement in Colombia—and the allegations are that he was the conduit for \$6 million from the mafia in Cali to the campaign of President Samper, that investigation is being conducted by Colombian officials today.

More importantly for us, from the law enforcement capacity, they were able—that group, to show you how powerful they were—they were able to influence the entire telephone company, all of the taxicab drivers, all of the home residents around where the police raiding parties would leave from so there would be early notification. I will tell you why that is important.

That means that if a number is posted any place as a possible reward number or information, they would know within 3 days who had called that number in a city of 1,600,000 people. Then they had their own surveillance teams who could go to that person and

execute them or assassinate them so that they would not provide information to the Colombian National Police, to the DEA, to the embassy, to any legitimate institution.

They controlled and had people in the airport in Cali. If anybody walked through that airport, looking like they might be a law enforcement official or from North America——

Mr. MENENDEZ. Well, I appreciate what you are telling me. But I do not think you are being responsive to my question and maybe it is my way of phrasing it.

Mr. CONSTANTINE. Maybe I do not understand it and I will try again.

Mr. MENENDEZ. Let me try with Ambassador Gelbard.

My interest is that I read a statement that is, I think, very significant. And my question is this: Who is the Colombian National Police controlled under? It would seem to me that if these allegations that we hear about are true—and we certainly want to wait for the administration of justice to take place to find out if they are or are not—the point is that it would seem to me that, the people who knew, if they were truly involved, that this cooperation would lead to the discovery of evidence that would lead to their potential indictment and downfall, would not have been so cooperative.

Mr. GELBARD. Congressman, we have seen numerous instances on the part of the Colombian Government, of the executive branch, of a failure to cooperate with the United States and to undermine efforts to make progress in counternarcotics. This was the reason the President decided on March 1 to decertify Colombia because the test of the law is whether a government is cooperating with us.

Examples include repeated amendments in the legislative process which would act as, in essence, little bombs or bomblets to try to nullify strong counternarcotics legislation. They finally went ahead with an anti-money laundering law, but there was virtually nothing inside that law. It was an empty shell and we strongly believe that the banking superintendent's office has had their anti-money laundering investigations unit eliminated or virtually eliminated.

Third, while the government publicly said they were supporting giving the prosecutor general, Mr. Valdivieso, a full term, we believe the government was working to remove him from office and we see many other instances where we believe there may have been tactical cooperation but on the strategic level, there were efforts to undermine the process of cooperation and effective counternarcotics efforts.

Mr. MENENDEZ. I see.

Let me ask you another line of questioning related to Cuba. When we had this last hearing, we did not get very much out of it. And I want to correct myself because I did not receive it before but now I have received, supposedly, the questions that I asked. There were some answers and, unfortunately, the committee staff never got it to us. So I did not know that we had received answers. As far as I was concerned, we had not received answers.

Now, it did not take me very long to read the answers. There are only about three paragraphs or so. So let me get to the heart of some of the questions.

In your statements before, Ambassador Gelbard, I think you said that, as it relates to Cuba, it is very difficult to ascertain whether or not there is any participation on behalf of the Cuban regime in terms of narcotics trafficking because we have no human intelligence. Is that basically their position?

Mr. GELBARD. I defer to Mr. Constantine on the issue of law enforcement efforts.

If we had information, we would act on it.

Mr. MENENDEZ. But you do work with the law enforcement in your process of trying to figure out—

Mr. GELBARD. I work with them, but I am not a law enforcement official.

Mr. MENENDEZ. OK. So then let's skip that question and let's go to Mr. Constantine.

Is that basically the position of the DEA?

Mr. CONSTANTINE. That is the problem that we have. We have visual observations. We have tangential information. But when we get down to trying to put a criminal case together in the United States, where we can make an arrest or secure an indictment, that is contingent upon having firsthand information, like a best evidence type of rule, from either a witness, from a wire tap, from a consensual overhearing device, from a citizen or a number of citizens who can corroborate information. That is difficult—in fact, almost impossible—in Cuba to secure those pieces of evidence that would corroborate those things that we see externally.

Mr. BURTON. Would the gentleman yield briefly?

Mr. MENENDEZ. Surely.

Mr. BURTON. As I said before, Mr. Constantine, in the grand jury investigation down in Florida, General Rafael del Pino and Major Aspillaga both said that they had eyewitness evidence, in some cases, that the highest echelons of the Cuban Government were involved in the drug trafficking.

Is this the first you have heard of this?

Mr. CONSTANTINE. The first I have heard about the grand jury, I think it was from 1992.

Mr. BURTON. But is this the first you have heard of these two witnesses?

Mr. CONSTANTINE. That is correct.

Mr. BURTON. I have high regard for you, so please do not take this the wrong way. But I do not understand how our government does not know about these two witnesses and the testimony they gave. They were high-ranking officials in the Cuban Government who defected to the United States and have testified about the direct involvement of Castro's brother, Raul, in drug trafficking. This one witness was a high-ranking general, and he said the military hierarchy is all involved in narcotics trafficking.

It seems to me—and I do not mean this disrespectfully—that you need to speak to these men. I am going to have them before this committee, if I can run them down, and put them under oath and put a screen around them, if we have to, so they will be protected. But we need to indict everybody in the Cuban Government who is guilty, if these gentlemen's statements are accurate, and I believe them to be so, and make these corrupt officials international pari-

ahs, not only because of other issues but because of their involvement in the drug trafficking.

I thank the gentleman for yielding.

Mr. MENENDEZ. Ambassador Gelbard, in response to last year's hearing in October 1995, in questions that were put to me through Mr. Hamilton to you, the written response comes back, "Given the closed nature of Cuban society and the restrictions on contacts with Cuban law enforcement agencies, we are unable to determine, with certainty, the size and frequency of suspected trafficking flights over Cuba."

Is that a fair statement? Do you recall that at all?

Mr. GELBARD. I do not recall it.

Mr. MENENDEZ. OK. Well, I am reading from the hearing—

Mr. GELBARD. I certainly take your word for it.

Mr. MENENDEZ.—transcript and that is the second paragraph. So I assume somebody—whether it was you or somebody on the panel—gave us that written response. It is listed under the record as having been submitted to you with our questions and then this is a response.

Now, based upon that and what has already been said, I look at Mr. Constantine's written testimony today and under Cuba, there is a statement, again, that U.S. agencies receive little human intelligence about the extent of drug trafficking in Cuba. But then it goes on to cite that, "The DEA reporting indicates that maritime smugglers skirting the coast of Cuba frequently duck within"—frequently, and maybe you can quantify that for me—"duck within a 12-mile limit of Cuban territory where they cannot be pursued in order to avoid law enforcement by operation Bahamas, Tanks and Turkels, and the Cuban naval or Coast Guard vessels take no action to prevent smugglers from using their waters for concealment."

And then you go on, in the very next paragraph, to say, "Pilots have utilized Cuban air space to mask their roots. The DEA office in Nassau, the Bahamas, reported that during the last 2 years, 28 flights positively identified as carrying cocaine crossed through Cuban air space en route to their drop point. Three of these occurred in 1996."

Now, our first answer is that, "We cannot tell you," and then today we have testimony that begins to tell us that boats frequently duck into the 12-mile territory and you give us a quantitative number of the number of flights that have been positively identified as carrying cocaine crossing through Cuban air space en route to their drop-off point.

Why the discrepancy? Either we can or we cannot.

Mr. CONSTANTINE. Well, let me give you the information from my perspective. I have not seen the document that you have with the questions there, Congressman.

Our information would come from eventually seizing an individual, or seizing a boat, or seizing a plane, or seizing a certain amount of narcotics that would corroborate some information that they claim that they had used that within the 12-mile limit or had used the air space for traveling across Cuba. We have a special operation in the Bahamas, which is what you are talking about, which produces that information. So that data that you have is operational data from the Drug Enforcement Administration.

Mr. MENENDEZ. The questions, directly from the hearing transcript, were these: Does the U.S. Government, through the DEA, the U.S. Intrasection in Havana, or other resources, currently pursue information about Cuba's involvement in the drug trade? If so, what information specifically have you pursued? If so, what information specifically have you found? And, if not, do you intend to pursue information about Cuba's involvement?

Well, the answer that came back was that you did not quantify it at all. Yet today we can quantify it. I am just wondering, if we did not pursue this, why are we getting quantifiable evidence now? I mean, are you doing something new that you did not do in October 1995?

General MCCAFFREY. Let me, if I may, try and assist because I know you are serious about trying to get the numbers and I was aware those numbers existed. I spent the last couple of days off and on trying to get at the truth. Why that number, and what do we know about Cuba, and what do we think is going on down there and I reviewed the information available from the CIA, from the DEA, from the foreign service. I personally called JIATF East and South and reviewed the radar data.

Here is what I think is true. I think that, in general, the major source of drugs coming into the United States comes in through Mexico and the eastern Pacific corridor. Probably—the number is soft, but—probably 70 percent of it. Another 30 percent of the drugs that come into the country we think comes through the Caribbean corridor.

Of that, the biggest source of threat to the United States, we believe, is Puerto Rico/Virgin Islands and we have mounted a major operation that we believe will have some success over the next couple of years. We have established a High-Intensity Drug Trafficking Area there. We have a joint DEA/Coast Guard/Customs/U.S. Armed Forces effort going on in cooperation with Governor Rosselló.

There is some additional trafficking, possibly, that crosses Cuba. We have extremely good data on who is flying what kind of planes at what altitude. We watch it day and night, 7 days a week. It is monitored out at JIATF East. It is the radar sites in Virginia. It is the Caribbean Radar Network. So on a given year, month, day, you can get a photograph of who is flying what and we try and sort this stuff by computer algorithm to get suspect tracks. If we think it is suspect, then we try and develop more information on it.

In general, air traffic ain't going across Cuba. Now, having said all that, it is clear to me that there is a lot of smuggling activity that is starting in and out of Cuban territorial waters. That is the softest kind of insight and, indeed, there are additional flights that go in and out of their air space.

What do the Cubans know about it? It is a dictatorship. It is a closed society. It is a repressive society. We do not know.

Mr. MENENDEZ. Well, General, let me ask, do you believe in prevention?

General MCCAFFREY. Say again?

Mr. MENENDEZ. Do you believe in prevention?

General MCCAFFREY. In prevention of—

Mr. MENENDEZ. As a general theme.

General McCAFFREY. Sure, yes.

Mr. MENENDEZ. Well, my point is, maybe it is not the 70 percent today. And, of course, we have to focus on why the 70 percent comes.

General McCAFFREY. Yes.

Mr. MENENDEZ. But when you put pressure there and in Puerto Rico and in the Virgin Islands and you already have your own determination, 80 flights may not be a lot but 28 flights which you describe—not me—as being positively identified as carrying cocaine across Cuban air space, the Cuban Government had no problem shooting down some civilian aircraft. But they seem to have let a lot of people go in and out without a problem when they are carrying cocaine.

And I just think that when you put the pressure, you are going to have another problem that is even greater than whatever it might be quantifiable today. And all I am suggesting is that if matched with the information that not only has been generally around, I would assume that the U.S. Attorney in the Southern District of Florida would have worked with the DEA in providing some of this information that has been published since 1993.

And, as far as I remember—from your own comments, Mr. Constantine—you need witnesses and you need evidence. Well, if these witnesses provided evidence and they corroborated each other in terms of the testimony, you have at least the rudimentary beginnings of a clear case.

What is it that we are not doing here, or is it that we are just saying that, “Well, it is not a major issue. So, while it may be an issue, it is not something we are going to spend time and resources until it becomes a big problem and then so much for prevention”?

Mr. CONSTANTINE. Let me see if I can separate the two things. I think you have to know that our people are extremely serious about this and they look at each one of these criminal organizations, no matter where they transit from or where they begin or where they end, extremely seriously, Congressman. There is absolutely, in our mind, no difference between one criminal group and another criminal group.

Where I am in a difficult situation is trying to discuss a draft indictment from 1992 that all that I have presently is a newspaper article. My experience with grand juries, mostly as a witness, never having been a prosecutor, is evidence is presented to a grand jury and they vote or do not vote up or down on what is an indictment based on the evidence.

As best I can see from newspaper articles and reflections of the grand jury, which most of it is confidential material or private material, someone decided not to indict these individuals—perhaps the grand jurors, perhaps the evidence was not there. That I am not sure of. But I have to separate the difference between a draft indictment that was never returned in 1992 and the sincerity and seriousness with which we treat these issues.

That tape was from a DEA operation. Our people give their heart and soul to these types of things and very often their life, Congressman. We believe in it a hundred percent. We do not back off from anyone, and I never have in 36 years in law enforcement. I am not about to begin that right now.

Just so you understand those two issues. Maybe that helps a little bit.

Mr. MENENDEZ. Well, let me help you understand me and I will close with this, Mr. Chairman, because you have been generous with your time. I did not suggest that the DEA is in the process of backing off of anybody. I suggested, and I will continue to pursue, that, in fact, you may not see it as a very big issue right now but this is a regime that has control over its territory. It very jealously guards its territorial limits, both in air space and in its water. Cuba has shown us that time and time again. So you just do not casually go in and out of Cuba, whether by water or by air, and think that Fidel or Raul Castro or the other members of the elite just permit this all to go on and let people fly over.

If they worry about pamphlets with the Universal Declaration of Human Rights, I would assume that they would worry about what else may be flying over their territories and who might land what or drop what in their country. So all I am suggesting to you is that I think that you have the capability of including in your testimony how many flights and with some frequency—obviously, it does not quantify—about ships going into Cuba's territorial waters. I am suggesting to you that that, number 1, should perk our ears up.

Number 2 is, when we quantify that, add it to the testimony that is out there that I think can be pursued—and I would assume that the U.S. Attorney does not create draft indictments for any situation that is strictly publicity; I would assume that it is one more serious step in the process to a final consideration and should be reviewed. I cannot believe that the DEA would not have had any information from the U.S. Attorney in trying to ferret out how much of this would be true or not and what are the possibilities.

And, last, I would just simply say that when we create the pressure on the other points in which we say, "Right now, this is where the most significant part comes," then we will find ourselves with greater access and incursions of Cuban air space which they will accept and then we should be pre-emptive in this process. That is what I am suggesting. Thank you for your responses.

Mr. CONSTANTINE. Congressman, I agree with your position and I promise you, wholeheartedly, we will pursue these groups as actively as we can. I think your analysis of the issue and the problem is right on the money.

Mr. BURTON. Thank you, gentlemen.

General McCaffrey, you indicated you were not sure what the Cuban Government did or did not know because it is a closed society and it is a dictatorship. General, you have been in the military, so you know what is going on. They have an apparatus down there that is second to none. They have modeled their whole apparatus after the Soviet Union and the KGB. They have a block captain system. You cannot do anything down there on the block or say anything against the government without the government knowing about it. And they most certainly know everything that is going on within their borders and in the sea outside their borders and in the air. And to even imagine that drug-filled planes are flying through their air space without their knowledge, does not make any sense to me.

So if you know of 28 planes, there may have been others. Even if it is a small amount of planes, we certainly should put the heat on the Cuban Government, pursue indictments, talk to these witnesses in Miami, and if we can indict that government, fine.

One of the things that just happened in this Congress which does not relate to drugs was the passing of a bill called the Burton-Helms Bill, or the Helms-Burton Bill, depending on which body you are in. The reason we passed that bill was to deny Castro the hard currency he needs to survive. He is not getting the aid he once received from the Soviet Union and other sources, so now he is selling off confiscated U.S. property.

Now, if he is not able to do that, and his finances are drying up pretty doggone fast, then what he is going to do next is he is going to use any other income source he can and, if he is already using narcotics trafficking as a source of revenue, he is going to expand that. You really need to keep an eye on Castro because he is going to do everything he can to survive, and I already know that he has connections in Panama and elsewhere where they are helping launder money and transit drugs up through his country.

Now, let me ask Ambassador Gelbard a couple of questions. At our last hearing on drugs, I asked you about the Ukraine. There were reports in the press that government-run companies were selling planes to Colombian drug trafficking organizations.

In response to my questions about whether anyone at the State Department was informed by the DEA about these planes, here is your direct quote, and you were under oath. You said, "Yes, I think what has happened, Mr. Chairman, we learned about this from press reports."

Now, if I ask you that same question today, would you have the same response?

Mr. GELBARD. Yes, sir.

Mr. BURTON. You would?

Well, Mr. Gelbard, in response to my questions to DEA Administrator Constantine regarding this matter, Mr. Constantine, in a letter, stated that Richard Canas—you know who he is, don't you?

Mr. GELBARD. He is a close friend of mine.

Mr. BURTON. Yes—Special Agent Canas in charge of DEA's Phoenix Division, informed you of this issue via telephone on or around October 19, 1995 and also provided background papers via facsimile.

Now, how do you explain that discrepancy?

Mr. GELBARD. I have absolutely no recollection of any such telephone conversation where he provided such information, nor does my office have any record of any such facts.

Mr. BURTON. But the fax was sent to you on——

Mr. GELBARD. If I could finish——

Mr. BURTON. The fax was sent to you on October 19.

Mr. GELBARD. I did not receive any such fax. I would note that in the paragraph above that, Mr. Chairman, Mr. Constantine also notes that Mr. Canas also maintains that he informed his supervisors at DEA headquarters about this, but they say they did not hear about it either.

In point of fact, we did learn allegations of such activity the next month, in November. I received telephone calls from a journalist,

as did members of my staff. My staff, after consulting with me, raised this issue with DEA and other agencies. We were told by DEA officials at their headquarters, as well as from other agencies, that they had no knowledge of this issue.

Over the course of the next couple of months, when we did get specifics on this issue, I requested that my staff convene a meeting with other agencies, including DEA and others, and in February 1996, we finally received that report. We made this issue a very high priority. In fact, President Clinton, in papers that we drafted, raised this issue with the President of Ukraine.

Mr. BURTON. Well——

Mr. GELBARD. We have subsequently pursued this issue——

Mr. BURTON. I do not want to cut you off, but I want to get on with this because going into all this background hyperbole is not going to solve the problem.

This fax was sent to Commercial (202) 736-4885. Is that your fax number?

Mr. GELBARD. It is.

Mr. BURTON. And you are telling me you did not get this fax.

Mr. GELBARD. I am.

Mr. BURTON. It was sent to you and the same fax cover sheet says, "Bob, per Tel Con..." and you are saying Mr. Canas did not talk to—I may have pronounced his name wrong——

Mr. GELBARD. Canas.

Mr. BURTON. Canas—he did not talk to you over the phone about this.

Mr. GELBARD. I do not recall any such discussion on the phone.

Mr. BURTON. OK. You do not recall it.

Let me ask you this question. You just said regarding Colombia and the helicopters in that country that you were not asked about UH-1H helicopters until April?

Mr. GELBARD. No. What I said was, I offered UH-1H helicopters in repeated meetings and they refused them. Only in April, when I met with the Minister of Justice and Colonel Gallego, the head of the counternarcotics police, when I repeated the offer again, the Minister of Justice and the Colonel finally agreed to accept them.

Mr. BURTON. Mr. Deutsch was down there on January 6 and, as I understand it, at that time they had already requested UH-1H's.

Mr. GELBARD. I am not aware of that.

Mr. BURTON. You are not aware of that either? You are not aware of this fax that we talked about that contradicts what you said at the last hearing under oath.

Mr. GELBARD. It does not contradict what I said, Mr. Chairman.

Mr. BURTON. Well, it does. The fax went to you.

Mr. GELBARD. I did not get the fax.

Mr. BURTON. It was to your office and to your number. Don't you get your correspondence?

Mr. GELBARD. I did not receive—Mr. Chairman, I did not receive such a fax. We have searched our records. There would have been copies of it in our records. There are no such copies.

Mr. BURTON. Now, why would somebody say they sent you a fax—a person that you call your personal friend—and you did not get it?

Mr. GELBARD. I cannot answer that. I did not receive it.

Mr. BURTON. Then he said he spoke to you on the telephone about it and you say you do not recall the phone call either.

Mr. GELBARD. I would note, Mr. Chairman, once again, that senior DEA officials also say they did not have any such information, even though Mr. Canas also insists he raised it with them.

Mr. BURTON. OK. Well, let me just talk to you about these UH-1H helicopters in Colombia, which is a different subject.

Now, I have spoken to people who are in Colombia and who worked with the Colombian police and they have told me that in November and December, they had said then that they wanted those UH-1H helicopters and they were withheld. Now you are saying that you did not get an official request until April 1996.

And when I talked to you 2 weeks ago, or a week and a half ago, you were reluctant to send the helicopters to Colombia. But then you finally released them when I talked about having this hearing.

Mr. GELBARD. No, that is not the case.

Mr. BURTON. That is not why you released them?

Mr. GELBARD. No.

Mr. BURTON. Then why did not you release them before?

Mr. GELBARD. As I told you when we spoke on the telephone, after my meetings in Vienna I was awaiting a statement from the Minister of Defense asking for it. I told you when I expected the request from the Minister of Defense. I received it at that time and then we have subsequently shipped those helicopters.

Mr. BURTON. Mr. Gelbard, I certainly do not want to impugn anybody's integrity, but it really kind of irks members of this Congress if they believe that they have been misled by members of any administration, Republican or Democrat. I have this fax in front of me and you are telling me you did not get this fax and you are telling me you do not recall the phone call, yet there is a date on it and everything else.

Now, in addition to that, you have come before this body under oath again, and you are telling us that you did not get a request for those helicopters until April. Mr. Deutsch was down there the first of the year and they asked him about the helicopters, according to our records, and we were told that there were requests for the UH-1H's in the latter part of last year. Some say as early as September. I cannot verify that but I am checking into it right now.

The reason I am concerned about this is there are people in Colombia who have worked with Mr. Constantine. Four hundred and some of them have been killed. They are fighting a drug war, and, by God, if we are going to win, and we say we are going to give them helicopters, we have to get them down there. It seems strange to me that on two separate occasions there is a discrepancy in your testimony, one of which is backed up by a fax, and it really kind of—

Mr. GELBARD. Mr. Chairman, there is no discrepancy in my testimony and, just as you say this irks you, it irks me when my character is maligned.

Yesterday the lawyer for President Samper called me a liar and we can prove that that was not the truth. And in this case, too, I am telling the truth. I have served my government with distinction for 29 years and I resent deeply the idea that I am being accused of not telling—

Mr. BURTON. How do you explain this fax and a phone call that was not—

Mr. GELBARD. Well, I recommend to you, Mr. Chairman, with all respect, that you read the rest of the letter and you will see, as I said earlier, that senior DEA officials also say they did not have any knowledge of this, even though Mr. Canas says he informed them.

Mr. BURTON. Well, I have the fax here. We will check into it.

Mr. GELBARD. I requested, through my staff, that information from DEA headquarters in November 1995. DEA headquarters did not have this information.

Mr. BURTON. Well, we will check into it further and we will get back to you on that.

Mr. CONSTANTINE. Congressman.

Mr. BURTON. Yes.

Mr. CONSTANTINE. This thing has been a burden for me for 3 or 4 months, trying to sort it out and trying to find out. We do have people in DEA headquarters who Dick Canas said that he briefed about this issue. I was not one of them. My deputy administrator of chief of operations was not. None of us were briefed on it. And there is a conflict between people—one retired presently from DEA—and Mr. Canas, each of them having a different perception of what the conversations were—Dick saying he advised him, the other individual saying he cannot recall that—and I think, in fairness to the issue here, sometimes when you put things down in a letter, it is not always as clear and not all of the emotions come out. But it has been very, very difficult for us also, sir.

Mr. BURTON. I understand, Mr. Constantine. If it were just a phone call—but we have a fax transmission sheet.

Mr. CONSTANTINE. Yes, sir.

Mr. BURTON. And that concerns us.

Mr. CONSTANTINE. Yes, sir.

Mr. BURTON. Mr. Chairman, did you have any more questions?

Mr. GILMAN. Briefly.

First of all, gentlemen, under the Foreign Operations Bill pending on the House floor, antinarcotics aid is set at \$150 million. I understand that one of our colleagues may offer an amendment to make small cuts to several accounts in order to boost the antinarcotics funding by some \$30 million more, to \$180 million. I am hoping that the Administration would support that kind of a request and that if you do support it and we do pass it, how would you utilize those funds? Any of the panelists.

Mr. GELBARD. Mr. Chairman, under our request, we would intend to devote our funds to additional support for crop control eradication, as well as alternative development, which, as you know, is paired with that. Also, to support law enforcement assistance and development and law enforcement training.

Mr. GILMAN. All right. Then I hope that you would be staunch advocates of this kind of an amendment if it starts making its way to the floor debate on Tuesday. We would welcome your urging your advocates up here in the House to be supportive of that on both sides of the aisle.

General McCaffrey, the \$250 million DOD programming request by ONDCP that occurred under your leadership never included any

monies for DEA vetted units in Latin America. As I understand it, that technique helped to bring down the Cali cartel.

Can you please tell us why there is not support for that, which we know worked so well, such as these units being operative against the drug cartels abroad; but, at the same time, there is nearly \$3 billion available for treatment, which we are not sure about the kind of treatment that is successful?

Can you give us a justification for that kind of a disproportionate utilization of those funds?

General McCaffrey. The \$250 million supplemental for 1996 dollars is indeed extremely important to us. It does include money, of course, for DEA, Customs, FBI, DOD, efforts at foreign interdiction, some \$130 million of it being particularly vital.

I was disappointed that—of course, this was a late request—but also disappointed that it has not, so far, found favorable consideration for 1996 funding. We have asked for it to be considered for 1997 funding. I would be reluctant to talk directly about what vetted units we have involved in the Andean Ridge or Mexican strategy in an open session.

We do have support for such vetted units. They are being funded, you are quite correct. They are extremely valuable and we will push for it in this area also.

Mr. Gilman. I am pleased to hear that you will be supportive of that kind of funding.

Can you tell us why you have not used the phrase of a drug war any more? I think you have some new phraseology. It seems to me, with all of the police who have been killed—I guess some 3,000-plus police killed in Colombia, and our own DEA, which has lost a number of agents not long ago in the mountains of Peru, the nightly warfare and violence on our streets—are not we truly engaged in a drug war?

General McCaffrey. Well, Mr. Congressman, I certainly take your point. The language of warfare is vivid. It is colorful. The metaphor is very helpful in mobilizing public opinion and it has been probably useful over the last 15 years.

Having said that, some of us—people like me—and, you must remember, I understand war. I have been wounded in combat three times. I spent 31 years as a military officer. I am concerned because I think the metaphor is inadequate.

When we talk about these casualties, the three million chronic addicts are not the enemy. They are our children. Our sisters, our daughters, our mothers. And they require law enforcement. They require drug treatment. But, most importantly, the millions of them who are in our schools and our churches require drug education and prevention. So I am trying to broaden the metaphor and suggest that perhaps cancer is a more helpful way to understand this dilemma we face.

Mr. Gilman. Again, I would urge you to take another look at the disproportion of how we utilize the funds. And while treatment and rehabilitation is important, I hope that we are not going to take away from those areas that are out there, as I consider them, the battlefronts, of eradication, interdiction and enforcement.

Mr. Burton. Would the chairman yield, please?

Mr. Gilman. Yes, I would be pleased to yield to the gentleman.

Mr. BURTON. Let me just once again reiterate this point: I think the majority of the Members of Congress in their heart of hearts are concerned about violation of the territorial sanctity of a sovereign nation. We do not want to start a war, but the fact of the matter is, we are in a war.

And when the government of Peru, or the government of Bolivia, or the government of these other source countries will not participate in an herbicide eradication program that is environmentally safe—especially when we offer to pay the campesinos a certain amount of money—then we ought to start putting a tremendous amount of pressure on them from the Administration as well as the relevant U.S. Government agencies and say, "Look, we are going to do something about this. We are in a war on drugs and it is killing our kids. We want these narcotic-producing plants eradicated and we believe a larger percentage of the monies allocated should go for eradication at the source." I cannot emphasize that strongly enough and I can tell you I believe the Congress of the United States eventually will move to the point where we are going to force the issue if the agencies involved do not. Since the President is involved in a re-election campaign, this would be a heck of a strong issue for him if he chose to pursue it.

I yield back to my colleague.

Mr. GILMAN. Thank you, Mr. Chairman.

And I will close with just one comment. Whether you call it a war or not a war, we still have a lot of casualties out there. I hope that we are not going to focus on treatment for waging our war. We cannot really be successful with this kind of a campaign by treating the wounded, and neglecting the other areas.

Thank you very much, gentlemen, for being here today.

Mr. BURTON. It has been a long hearing and I appreciate your patience, all three of you. I also appreciate your tolerance because I know you have been grilled quite heavily.

Let me just end up by asking one last question: Why did the President certify Mexico when 70 percent of the drugs entering the United States still come through there and officials in the government we know—military people, police and others—are still helping transit those drugs to our border? Why did we certify that country?

General McCAFFREY. Well, let me, if I may, give you an overview of the issue. First of all, we had to comply with the law. This is not a policy option. This is a Federal law. And the law essentially asks the question, "Is the government either cooperating with our counterdrug efforts or on their own doing the same thing?" And, in our judgment, President Zedillo, his Attorney General, Lazano, the Minister of Defense, Cervantes, and other senior officials of their government are committed, honest, patriotic people who will work in cooperation with us.

We knew that the Mexican army had destroyed more illegal drugs than any other country on the face of the earth last year and they did it at the cost of their own blood and sweat. So we have a terrible problem to face together. But the problem is not Mexico. The problem is an international drug conspiracy.

Mr. BURTON. With all due respect, the perception among many in Congress is that the corruption level goes very, very high in the

Mexican Government, even though you may have some very competent and honorable people at the very top. And if that is the case, then we have a real problem. We certify Mexico and start giving them the advantages our government extends. I think there are still many questions about this decision to certify.

Let me end up by saying I appreciate your tolerance. I hope that we will put a lot of pressure on Cuba and keep watch, and I hope that you will talk to those witnesses in Miami we talked about. We will probably ask you to come back again at some point in the future. Thank you very much.

We may have some questions we would like to submit to you for the record. Would you please answer them?

General McCAFFREY. Yes, sir.

Mr. BURTON. Thank you very much.

This meeting stands adjourned.

[Witnesses excused.]

[Whereupon, at 4:23 p.m., the subcommittee was adjourned to reconvene at the call of the Chair.]

APPENDIX

Statement
to the
**House International Relations Committee
Subcommittee on the Western Hemisphere**

by
Barry R. McCaffrey
Director, Office of National Drug Control Policy
June 6, 1996

I. Introduction

Good afternoon, Mr. Chairman and distinguished members of the Subcommittee. It is an honor to be here today to review drug control efforts in our hemisphere. Although not the largest part of our drug budget, our international programs provide a very high payoff in terms of results achieved and directly support two of the five priorities in the *1996 National Drug Control Strategy*. We commend your efforts to review issues related to drug trafficking and control in the Hemisphere. Let me also thank the members of this Committee and your colleagues for your principled, long-term commitment against illicit drugs and drug abuse. While serious challenges remain, much has been accomplished through the bipartisan efforts of the Congress and three successive administrations.

Before discussing the crucial international issues before us, it would be useful to place the discussion of our international challenges and successes in the context of what we hope to achieve with the *National Drug Control Strategy*. We should highlight some of the key programs that support these goals, both domestically and internationally. Finally, I will summarize how the FY 1997 National Drug Control budget will enable strategy implementation on the international front.

The national drug problem will not be solved overnight. We must demonstrate to the American people that we can successfully address the drug challenge. At stake are trust in our public institutions; the security of our neighborhoods; the health and safety of our schools and work environments; and the future of our young people. Drugs have killed 500,000 Americans and cost us \$300 billion during the decade of the 90's.

While there is every reason to believe we can succeed, we must be prepared to support long term domestic and international efforts. As we build effective international coalitions, our allies must understand that we will stand with them to face the threat drug trafficking poses to their own people and national institutions. Source country programs are a crucial element of this approach. The key is that our efforts be sustained, that our commitment not erode.

June 4, 1996

2. The National Drug Challenge

**The Drug Challenge to America:
Reducing Drug Use and Its Consequences**

- **Drug use is unacceptably high.**
 - 12M Americans used illegal drugs last year, down from 22M in 1985
 - Teen tolerance for drugs is up. Their use of the gateway drug marijuana is up dramatically in the past 4 years:
 - 8th Grade - up 167%
 - 10th Grade - up 81%
 - 12th Grade - up 46%
 - Addiction experts predict that about 820,000 of this new group of marijuana smokers will eventually try cocaine.
- **The number of hardcore users is holding steadily at about 3M.**
- **The cost of drug abuse and trafficking is enormous.**
 - 100,000 dead and \$300B in the 1990s alone.
 - 500,000 emergency room cases each year.
 - 250,000 Americans are serving time for drug law violations.
 - Drug use is involved in at least a third of all homicides, assaults, and property crimes.

Drug abuse and crime directly affects the lives of millions, not just inner-city residents or particular ethnic minority groups. These issues are at the forefront of the minds of all Americans. We fear the crime and violence that surrounds drug markets. We abhor the effect it has on our lives and on the lives of our children, and are especially concerned about the increase of drug use by our nation's young people.

3. The 1996 National Drug Control Strategy Goals

The 1996 *National Drug Control Strategy* provides a balanced approach to meeting the concerns of the American people. Our strategy organizes the national counterdrug effort by providing general guidance and specific direction to the more than 50 Federal agencies involved in the struggle against drug trafficking and substance abuse. We offer a framework to state and local government agencies, educators and health care professionals, law enforcement officials and community groups, and religious organizations, mass media and business. The strategy is a catalyst for collective action to focus our actions, sustain our commitment, and help us achieve our national purpose.

June 4, 1996

The 1996 National Drug Strategy Goals

- **Motivate America's youth to reject illegal drugs and substance abuse.**
- **Increase the safety of America's citizens by substantially reducing drug-related crime and violence.**
- **Reduce health, welfare, and crime costs resulting from illegal drug use.**
- **Shield America's air, land, and sea frontiers from the drug threat.**
- **Break foreign and domestic drug sources of supply.**

The national strategy sets forth five strategic goals. These goals ensure that our message is unambiguous, and that our purpose is clear.

√ Strengthen domestic law enforcement efforts as the key to taking drugs off our streets and reducing drug-related crime and violence.

√ Reduce the human and economic costs related to drug use by providing effective treatment.

√ Shield America's air, land, and sea frontiers from the drug threat and break foreign and domestic drug sources of supply to keep drugs off America's streets and out of the hands of our young people.

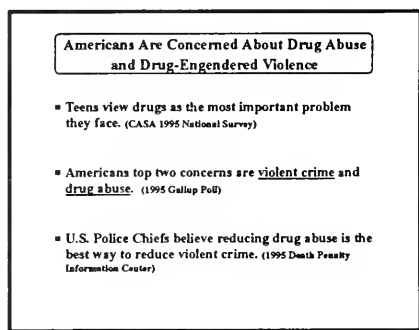
√ Provide a long-term (10 year), comprehensive approach of five goals. There is no silver bullet to reduce drug use or the damage it causes.

⇒ **Goal #1:** Motivate America's youth to reject illegal drugs and substance abuse.

Drug use among youth is on the rise after several years of decline. Approximately 39 million Americans are currently under age 10, the greatest number in this age group since the 1960s. If drug abuse occurs within this group at the same rate as it does today, our problem will increase by alarming proportions within the next 10 years.

We are making gradual progress. The White House Leadership Conference on Youth, Drug Use, and Violence in March 1996 launched a national media literacy and drug deglamorization campaign aimed at youth. A Federal marijuana prevention initiative is resulting in the distribution of booklets, fact sheets, and audio/video products to help educate young people and their parents. In the months ahead, ONDCP will work with advertising agencies, the news media, and the entertainment industry to craft a credible anti-drug message for our young people to maintain the momentum generated by these and other initiatives.

⇒ **Goal #2:** Increase the safety of America's citizens by substantially reducing drug related crime and violence.



Only one in four people who use drugs is a hard-core user. However, this minority consumes the majority of the illegal drugs and commits the majority of drug-related crimes. About two-thirds of these hard-core users come in contact with the criminal justice system every year. Of more than 20,000 adult, male arrestees tested in 1994 under the Drug Use Forecasting program, 66 percent tested positive for use of at least one drug at the time of arrest. That is why the President's drug court program and criminal justice drug testing initiative will be so important.

Federal, State and local law enforcement agencies have responded through a broad range of initiatives. The Community Oriented Policing Services (COPS) program has already produced funding for an additional 34,000 police officers for America's streets and neighborhoods. The Drug Enforcement Agency's Mobile Enforcement Team (MET) program resulted in more than 1,500 arrests of violent and predatory drug criminals in more than 50 communities throughout the nation. Finally, the Federal Bureau of Investigation's Safe Streets Violent Crimes Initiative ensures better focused enforcement and investigative efforts against violent gangs, crimes, and fugitives. The good news is that nationally, homicides have decreased by 5 percent. Those judged to be drug-related are down approximately 25 percent. However, we cannot be satisfied with these early stages of success.

⇒ **Goal #3: Reduce health, welfare, and crime costs resulting from illegal drug use.**

Between 1990 and 1995, drug abuse cost our nation severely in human suffering. Drug-related social costs are estimated at \$67 billion each year. About 70 percent of this cost is directly related to crime. U.S. health care costs are growing steadily. In 1994, there were over 500,000 drug-related hospital emergencies. Intravenous drug users comprise about one-third of AIDs cases. Our newborns are particularly vulnerable: About 350,000 to 625,000 infants are exposed to one or more illicit drugs each year.

The Federal Drug Free Workplace Program has been remarkably effective in providing a safer, more productive environment for our nation's workforce. Three of four companies with 250 employees or more have formal anti-drug programs and policies currently in place. The criminal justice and drug treatment systems are systematically linked through a "Breaking the Cycle" program that provides accurate case management and treatment services for drug-dependent offenders. The shortfall of available drug treatment services remains significant. However, the percentage of those who required and subsequently received treatment increased from 38 percent in 1990 to 52 percent in 1994. Additionally, the number of individuals in treatment programs has increased steadily since 1980.

⇒ **Goal #4:** Shield America's air, land, and sea frontiers from the drug threat.

Reducing the Availability of Cocaine: A Domestic and International Challenge

* 100% of the world's cocaine comes from South America. 70% of the cocaine consumed in the U.S. comes across the Southwest Border.

* **The Problem:** Availability and price of cocaine in the U.S. have been unaffected.

* 1994 Worldwide Seizures: 265 metric tons (75% seized in South America)

* 1994 Cocaine production in Bolivia, Colombia, and Peru: 840 metric tons

* **Conclusions:** Interdiction is paying off. Law enforcement is key to our success. Mexico and Puerto Rico are critical.

U.S. annual
cocaine demand
is about
300 MetricTons



Sources: International Narcotics Control Strategy Report and DEA reporting

The Heroin Challenge: Preventing Another Epidemic

■ Global cultivation of opium has doubled in the past ten years.

* More than 4,000 metric tons were cultivated in 1995.

* 60% of the world's heroin comes from Burma.

* Colombia grew no opium prior to 1990. It grew 65 metric tons last year.

■ ONDCP's "Pulse Check" survey indicates that while domestic demand for heroin is low, use of opium is increasing.

* U.S. annual demand is about 13 metric tons.

* Lower prices and increased purity will cause demand to increase.

* Alternative modes of ingestion reduce barriers to usage.

* We've forgotten what we learned about heroin in the 1970s.

■ We can't afford to be surprised by another drug epidemic.

The vast majority of illicit drugs consumed in the United States are produced in other countries. Drug traffickers have reacted to our law enforcement success against the air bridge in the Eastern Caribbean by shifting the movement of drugs through Mexico. As much as 70 percent of all cocaine coming into the United States enters somewhere along our 2,000 mile Southwest Border with Mexico. The availability of heroin in our country is on the rise. The heroin industry is more decentralized, more diversified, and more resistant to law enforcement operations than cocaine. While domestic demand for heroin is low, increased availability and the drastic increase in purity on the street are leading to a rise in consumption, even among adolescents.

We are creating international alliances, partnerships, and cooperative agreements to meet these growing challenges. Our interdiction efforts in South America have disrupted the trafficking patterns of cocaine traffickers in Peru, causing them to change flight routes and modes of transportation. A third of the cocaine produced in the region is intercepted before it hits our streets and those of other countries. Information sharing with allied nations has resulted in interdictions including multi-ton cocaine shipments.

We are working with the Government of Mexico to improve counterdrug cooperation. Calling drug trafficking a major threat to Mexican national security, President Zedillo is bolstering Mexico's counterdrug efforts, pledging to implement judicial reform and attack corruption, particularly in law enforcement. The Zedillo Administration submitted to the Parliament money laundering and organized crime legislation. That body has enacted legislation criminalizing money laundering. Zedillo's choice for Attorney General, the first opposition party member selected for a Cabinet position, has begun to reform the Attorney General's office, Mexico's lead counterdrug agency. Mexican law enforcement efforts have begun to pay off. Several associates of kingpin Juan Garcia Abrego were arrested in 1995, and Garcia himself was arrested and extradited to the United States early this year. Earlier this month Mexican authorities deported a major Bolivian trafficker Jose Luis Pereira Salas ("Jota"). "Jota" was arrested in transit in Miami and is now in U.S. custody. Mexican efforts to eradicate poppy cultivation have increased dramatically since 1994, in part due to the freeing up of military resources once tensions in Chiapas eased. At the direction of President Clinton, earlier this year I led our first delegation of the High Level Contact Group to meetings in Mexico City. We have established a number of goals for our mutual cooperation that we will discuss when the Contact Group meets later this summer in Washington.

⇒ **Goal #5: Break foreign and domestic sources of supply.**

Our Western Hemisphere counternarcotics strategy, set forth in Presidential Decision Directive 14, November 3, 1993, brought the necessary focus of our efforts to the source countries. We must reduce the availability of drugs in the United States by helping develop democratic institutions and enhancing law enforcement capabilities in those countries with the political will to deal with the problem. Continued success will be achieved through training and assistance programs, efforts at reducing cultivation and production, and strong law enforcement -- including money laundering and related legislation -- to destroy the trafficking organizations and deprive them of their profits.

Our counterdrug efforts last year dealt the traffickers serious losses. Interdiction programs in the source countries disrupted the cocaine economy in much of Peru. As prices for coca products fell to a record low for a period of time, some coca farmers did not harvest their fields in the second half of the year; others simply abandoned their fields. Key Asian countries have begun to arrest heroin kingpins and extradite them to the United States.

In Colombia, despite the ongoing cloud of drug-related scandal plaguing the Samper Administration, major gains have been made. Six of seven ringleaders of the Cali Cartel were arrested in 1995; one was killed by the Colombian police while resisting arrest. Since 1995 Colombian authorities seized 74 narcotics trafficker aircraft. Colombian National Police captured and extradited a Peruvian trafficker (and major supplier to the Cali mafia) and extradited him to Peru. Colombian authorities destroyed 409 cocaine and heroin laboratories, including one capable of processing 3 tons of cocaine per week. Colombian National Police continued their eradication efforts, spraying some 24,000 hectares of coca in 1995, resulting in the effective eradication of nearly 9,000 hectares of coca. Although the President decertified Colombia for failing to take adequate steps, on its own, to achieve full compliance with the goals and objectives established by the 1988 U.N. Convention Against Illicit Traffic in Narcotic Drug and Psychotropic Substances, institutions such as the Colombian National Police have performed admirably. The bravery and dedication of Colombian law enforcement officials, members of the judiciary, and the society as a whole are not questioned, and it is important to the success of our strategy that we continue to work with them, as well as with every nation in the hemisphere plagued by narcotics trafficking and consumption.

June 4, 1996

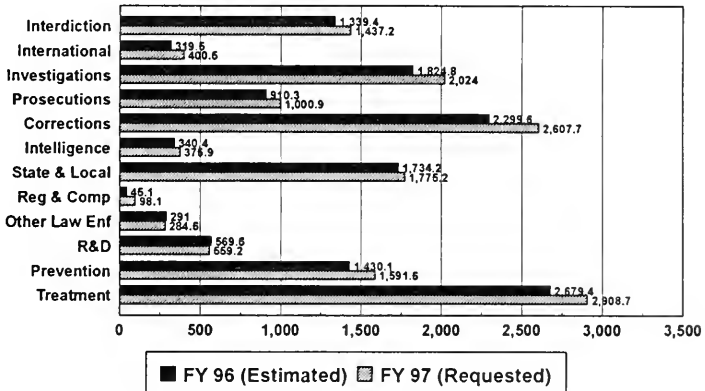
4. FY 1997 National Drug Control Budget Highlights

The President's Federal Drug Control Budget request for FY 1997 is \$15.1 billion. This represents an increase of \$1.3 billion over the enacted FY 1996 level of \$13.8 billion -- a 9.3 percent total increase.

Federal Drug Control Budget (Millions)

FY 96: \$13.783 billion

FY 97: \$15.063 billion (proposed) (+ 9.3%)



The drug control budget is grouped into four major functional areas:

• **Domestic Law Enforcement:**

FY 1996 (Estimated)	FY 1997 (Request)	Difference (\$)	Difference (%)
\$7.6 billion	\$8.3 billion	+ \$703 million	+ 9.3%

Major enhancements include: expansion of activities such as DEA's Domestic Enforcement operations and the FBI's Organized Criminal Enterprises program; an increase of Bureau of Prison bedspace capacity by 2,420 beds; and support of the Community Oriented Policing Services (COP) program goal of 100,000 new police officers by the year 2000.

• **Demand Reduction:**

FY 1996 (Estimated)	FY 1997 (Request)	Difference (\$)	Difference (%)
\$4.6 billion	\$5.0 billion	+ \$399 million	+ 8.7%

Major enhancements include: expansion of the Safe and Drug-Free Schools and Communities program; expansion of the Substance Abuse Prevention and Treatment Performance Partnership; and more robust treatment and rehabilitative programs for those in prison, jail, in juvenile detention, or on probation or parole.

• **Interdiction:**

FY 1996 (Estimated)	FY 1997 (Request)	Difference (\$)	Difference (%)
\$1.3 billion	\$1.4 billion	+ \$98 million	+ 7.3%

Major enhancements include expanded enforcement operations along the Southwest Border including the U.S. Customs Border Initiative (25% budget increase over the estimated FY 1996 level), and the Immigration and Naturalization Services' Southwest Border Initiative. The U.S. Customs "Operation Gateway" program expands operations into the Caribbean.

• **International:**

FY 1996 (Estimated)	FY 1997 (Request)	Difference (\$)	Difference (%)
\$320 million	\$401 million	+ \$81 million	+ 25.4%

Major enhancements include: expanded source nation counternarcotic activities to better address drug production, trafficking, and money laundering; improved international controls of precursor and essential chemicals; and programs that promote democratic institutions and assist with police training and criminal justice improvements.

5. Conclusion

The *1996 National Drug Control Strategy* outlines our long-term planning commitment to marshal the resources needed for effective drug programs. Our future national drug control strategy will be modified in response to emerging drug trends and new resource parameters.

Much has been accomplished, although critical challenges remain. As we have gained successes in interdiction and source country programs, criminal organizations have adjusted their methods of operation to counter those successes. Drug abuse problems worldwide are more serious and not likely to improve in the near term. U.S. consumption of heroin is increasing. Poppy cultivation and opium production worldwide are expanding, to include in this hemisphere. Emerging democracies in our own hemisphere and elsewhere in the world remain threatened by drug trafficking and the violence and corruption it brings in its wake. Our allies' will to fight this threat may be weakened by violence or corruption. This reality makes it even more vital that the U.S. commitment be seen and understood as coherent, consistent, and unflagging.

The President's instructions to me were to help create a cooperative, bipartisan partnership with Congress and the Federal, State, and local governments to achieve our purpose. ONDCP cannot do this alone. Your support, oversight, wisdom, and friendship will be enormously welcome as those of us privileged to be involved in meeting the drug challenge in America face up to this task.

STATEMENT
TO THE
HOUSE INTERNATIONAL RELATIONS COMMITTEE
SUBCOMMITTEE ON THE WESTERN HEMISPHERE

BY

Robert S. Gelbard
Assistant Secretary of State for
International Narcotics and Law Enforcement Affairs
June 6, 1996

Good afternoon, Mr. Chairman and distinguished members of the Subcommittee. It is a pleasure to be here today to discuss our drug control efforts in this Hemisphere. I would particularly like to review the progress we have made on our source country strategy and why it is critical to do more now. As I am sure you all have guessed, this is a topic about which I feel very strongly. It is a sentiment born of the strong conviction that measurable success in the counterdrug effort not only is achievable, but is very much within our reach.

Let me add a cautionary note that I always stress -- this effort must be sustained. Success in a single year is not necessarily permanent. You might ask yourselves why we have asked for so little money to combat the drug trade overseas when the magnitude of the threat is so great. The answer, I believe, is that our request for fiscal year 1997 -- provided it is sustained and incrementally increased over time -- provides insurance for drug control programs with measurable results. I know, from my experience in this job and as Ambassador to Bolivia, that uneven funding from year to year produces uneven results.

Before I discuss the source country strategy in depth, however, I would like to put U.S. budget figures into perspective. Our entire international counter-drug budget in fiscal year 1995, including military and Coast Guard support, came to about 850 million dollars -- six percent of the total 13.3 billion dollar anti-drug budget. At this low price tag, it remains an important demonstration of how U.S. international engagement pays real, cost-effective dividends to our citizens. The U.S. International Drug Control Budget is the equivalent of 8.5 metric tons of cocaine, given its street value of about 100 million dollars per metric ton. Single cargo flights into Mexico have carried more cocaine than that. The approximately 130 metric tons of cocaine that Latin American and Caribbean nations seized with our help last year have a street value as great as our government's total anti-drug budget. In other words, the six percent of the budget that we invested in international programs last year provided a return of over 1,500 percent.

When put into that context, the President's 1997 budget request for international drug programs seems not only reasonable, but highly cost effective. When you consider the costs to the U.S. of drug-related illnesses, crime and violence, and lost productivity -- an estimated 69 billion dollars a year -- the potential pay-off on this investment in drug control and demand reduction programs becomes even more impressive.

Funds appropriated to the Bureau of International Narcotics and Law Enforcement Affairs (INL) -- the portion of the budget which is invested directly in crop control, alternative development, and support to law enforcement and judicial institutions -- represent a very small percentage of the total. In fact, INL's 1997 budget request for international drug and crime control programs totals only 213 million dollars -- just over one percent of the total federal drug control budget request. We are most appreciative, Mr. Chairman, for this Committee's strong support of our budget in the past and as we look to the future.

Why A Source Country Strategy?

President Clinton's 1993 decision to adopt the source country strategy was, in my view, inevitable. This Government had spent some ten years confronting a growing, increasingly-sophisticated and violent group of largely Colombian drug trafficking organizations. Our efforts were, at first, piecemeal. As we began to understand the threat better, coordination improved.

We helped producing countries build interdiction forces to target production and transportation centers. At the same time, we expanded our own resources in the Caribbean in the hopes of stopping the rising tide of cocaine before it reached U.S. shores. By the early 1990s, we had engaged Mexico in the interdiction effort to bolster our own domestic efforts to strengthen our border defenses -- notably with the creation of the "Northern Border Response Force." This strategy produced some significant seizures but, more importantly, disrupted trafficking operations and forced constant changes to evade Mexican interdiction activities.

Ultimately, despite successes, it became clear that we would never be able to stem the flow of drugs from South America or Mexico by focusing on interdiction alone -- the traffickers would always be able to put another shipment in the air or in the water.

The adoption of the Source Country Strategy was in no sense an abandonment of interdiction or the transit zone. Interdiction in the transit zone remains a critical element of the overall strategy, as can be seen in the vigorous bilateral efforts underway with Mexico. PDD-14 recognized, however, that our resources were finite and were too widely dispersed to have a major impact on trafficking. The President, therefore, directed us to focus on the drug crops, the kingpins and their organizations, and the production and trafficking networks in the heartland of the trade -- the three Andean source countries of Colombia, Peru and Bolivia. For this reason, during my tenure, we have concentrated 60-65 percent of our annual budget on these countries.

INL: Laying Foundations for Long-Term Success

The ultimate objective of our Source Country Strategy is to stem the flow of drugs to the U.S. Our most effective means of achieving and maintaining positive results are training and assistance programs that help the source countries develop strong legal frameworks and help build credible democratic institutions. Strong institutions will be better prepared to eradicate and control cultivation, to dismantle top crime and drug syndicates through investigation and prosecution, and to interdict drug shipments.

Our other key weapon is eradication, of both coca and opium poppy, which provides the means to eliminate the source of this illegal trade completely. In the key source countries, eradication must be combined with sustainable alternative development in order to ensure that producers have viable means of supporting themselves once they abandon the trade. Without this carrot, governments, especially fragile ones, cannot wield effectively the stick of eradication. Even against the backdrop of very limited resources for alternative development in 1995, some substantial strides were made. Colombia continued its U.S.-supported aerial eradication program, eliminating an estimated 9,000 hectares of mature coca and up to 4,000 hectares of opium poppy. Bolivia manually eradicated almost 5,500 hectares of mature coca and destroyed seedbeds and new planting. New planting offset the gains in both countries, but support for eradication has increased, and new plantings are far more fragile than the mature coca that was destroyed. In Bolivia, a successful alternative development program -- legal crops in the Chapare now cover double the hectareage of coca -- is providing a strong counterbalance to coca. Peru, the world's leading supplier of coca, has yet to adopt a large-scale eradication program, but the government

has begun to eradicate all new coca. Mexico made respectable strides against opium poppy cultivation, effectively eradicating over 60 percent of the 13,500 hectares cultivated in 1995.

Strong Institutions Breed Success

In Colombia, with U.S. support and training, the Anti-Narcotics Police -- or DANTI -- has become one of the region's most skilled units of its kind. The DANTI has spearheaded Colombia's efforts to dismantle the production and trafficking infrastructure of the world's most productive traffickers. The National Police's capability will be upgraded further by the June 2 delivery of six additional UH-1H helicopters for use primarily in support of eradication. The Medellin drug syndicate has been virtually dismantled and almost all of the top Cali traffickers are dead or in jail. The Prosecutor General's office is building cases against the drug lords, and pursuing a wide-ranging investigation of narco-corruption that reaches to the highest levels of Colombian society and government.

Within the next few days, the Colombian Chamber of Deputies will issue a judgment, on the basis of evidence provided by the Prosecutor General, on whether or not President Samper should be tried by the Colombian Senate on charges that narcotraffickers contributed several million dollars to his 1994 presidential campaign. We have expressed our concern about the credibility, impartiality and thoroughness of the Accusations Commission which has recommended to the Chamber the President's exoneration. Only a full and transparent review of the charges by the duly elected representatives of the Colombian people could put an end to the current political crisis in the country.

In the meantime, we are reviewing Colombia's cooperation on the counter-drug front and our policy options for securing better cooperation. We will discuss with the Colombian Government this month our expectations for progress this year, in the context of a mid-year review of objectives for certification. President Clinton made it very clear on March 1 that he wanted to see improved Colombian cooperation and would reserve the option for applying additional sanctions if Colombia's counter-drug performance did not improve.

In Peru, the enhanced police and military interdiction operations, made possible in large part because of U.S.-provided helicopter assets and intelligence support, have successfully disrupted air smuggling and raised the cost

of trafficking operations. Peru followed through on a threat to shoot down trafficker aircraft that violated its airspace. In so doing, the Government of Peru disrupted the so-called "air bridge" between Peru and Colombia. Consequently, the business in Peru's coca markets has suffered. Coca prices dropped last year because pilots were reluctant to fly and stocks accumulated. The GOP National Drug Plan calls for a 50 percent reduction in coca by the year 2000. We are supporting this ambitious goal by making Peru's case for additional resources before the international donor community, and pressing the GOP to accelerate its coca reduction plans. Peru has recently created a separate new court system to deal with drug offenses.

In Bolivia, U.S.-supported rural police, intelligence, riverine and air units have substantially disrupted the trade -- putting behind bars many of the Colombian traffickers that directed the trade there -- and now are targeting Bolivian organizations which supply cocaine products to Colombia, Mexico, Brazil and directly to markets in Europe. At the same time, they carried out an unprecedented campaign to prevent new coca planting in support of the government's reinvigorated eradication efforts. Special investigative units focus on the trade in precursor chemicals used to process cocaine, and a group of special prosecutors now is dedicated solely to dealing with drug-related crimes in Bolivia.

Political Will -- The Key Intangible

A less tangible, but no less important factor to the success of the Source Country Strategy is the will and strength of governments in the region to weather the political backlash that effective antidrug measures inevitably trigger. Political will is the most difficult component of the strategy to generate, and the hardest to measure. Despite some setbacks in the last few years, however, I am willing to argue that we have never had a more important opportunity than we do now to advance our counterdrug agenda in the hemisphere.

I do not know a single drug expert who, five years ago, would have been willing to predict the downfall of the Medellin drug syndicate, let alone the progress that has been made throughout the hemisphere in dismantling the Cali organization. Eradication campaigns in Bolivia and Colombia have shown that it is possible to restrict significant expansion of the coca crop, and both governments now acknowledge that the elimination of the drug crop is critical to their national security. In fact, in April of this year,

the Bolivian Drug Secretary delivered an unprecedented speech at the UN Commission on Narcotic Drugs emphasizing the necessity of eradication. Meanwhile, despite ill-founded criticism over its force-down policy, Peru stayed the course and produced an interdiction breakthrough which we must now exploit. We must convince the Government of Peru to follow up by containing and reducing the coca grown within its borders.

Maximizing our Opportunity

U.S.-supported crop control efforts, training and assistance under the Source Country Strategy have created policy and operational environments ripe for even greater success. The goal of significantly reducing the supply of illegal drugs is attainable, but not without a sustained commitment. Specifically, we will be unable to fully capitalize on the successes of 1995 without adequate resources to:

- broaden crop control and interdiction programs;
- enhance support in Bolivia and Peru for alternative development; and
- expand training and assistance to the beleaguered judicial and law enforcement institutions charged with implementing and enforcing hosts of new laws.

Drug crop control remains pivotal to the ultimate success of the Source Country Strategy. Eradication, particularly aerial eradication, has the potential to be our most effective tool. The drug crop represents a key vulnerability to the trafficking groups. The crops are detectable, and destroyable -- tactically easier to target than airplanes or cargo vessels loaded with cocaine -- and they are critical to the industry's survival. Current research shows that roughly 200 hectares of coca eradicated deprives the system of up to a metric ton of cocaine. These factors demand that eradication -- and related alternative development projects -- remain central to our source country strategy.

INL's resources will be devoted to supporting aerial and manual eradication, and to programs designed to develop income-generating alternatives for coca-growers to abandon their crops. We will continue to support aviation, police and riverine units that form the backbone of interdiction forces in the Andes, and will enhance our regional training efforts in order to expand cooperation among the source countries. DOD, by lending consistent support to broad

interdiction efforts, has been critical to building cooperation among the Andean nations -- some of which have long been adversaries. Continued, and expanded, support for the interdiction infrastructure -- in terms of radars, communications and training -- remains central to the success of our efforts.

In addition to our primary focus on the source countries, we face significant new challenges. Our 1997 budget request reflects our plans for addressing them. Successes in the Andes, particularly against the Cali cartel in Colombia, have produced shifts in the trade, and have created new opportunities for Mexican, Peruvian and Bolivian trafficking syndicates, among others.

In this regard, I want to highlight recent Mexican counternarcotics efforts. Under the leadership of ONDCP Director Barry McCaffrey and Mexican Attorney General Lozano, we have launched an effort to develop a comprehensive bilateral strategy to attack the trafficking groups which move the bulk of the cocaine destined for U.S. markets across our shared border. These trafficking groups, which once served Cali and Medellin, now aspire to succeed them. They have not only begun to contract their own multi-ton shipments from Andean suppliers, but are further diversifying their trade with methamphetamines. Mexican-dominated distribution groups now dominate the manufacture and sale of this destructive substance in the U.S. and are expanding their role in the sale of cocaine and other illicit substances.

Combatting these trans-border organizations, which have strong footholds in both the U.S. and Mexico, will require even greater bilateral cooperation between the U.S. and Mexican governments. It will require intense legal cooperation, as we achieved with the January arrest and expulsion by Mexico of Juan Garcia Abrego, notorious leader of the Gulf Cartel based in Matamoros, Mexico, but whose empire spread across Mexico and the United States. It will also require increased material and logistics support to interdiction forces, as well as stepped-up training and assistance for law enforcement and judicial institutions in Mexico.

We are implementing a new heroin control strategy, and must respond to the President's requirement, expressed in PDD-42, for a comprehensive international crime control strategy which places special attention on the money laundering and financial crimes which enable all of these drug and crime syndicates to continue to operate.

All of these efforts require the commitment of U.S. resources. But as I said at the start, our real investment is small given the long-term payoffs of the Source Country Strategy. Our investment of time and money and the provision of U.S. training reap the added benefit of strengthening these often very new democracies. The institutions we support are less vulnerable to corruption, especially as their leaders see for themselves the benefits of ridding their countries of this corrosive threat. Such changes not only will produce success in eliminating the drug threat in this hemisphere, but will ensure these countries remain viable allies and trading partners.

I know this Committee is attuned to the challenges we face. I am confident that, with your help, we can continue to show dramatic results.

Thank you.

Remarks by

Thomas A. Constantine

Administrator

Drug Enforcement Administration
United States Department of Justice

before the

**House Subcommittee on the Western Hemisphere
House International Relations Committee**

regarding

Drug Control in the Western Hemisphere



Rayburn House Office Building
Room 2172
Washington, D.C.
June 6, 1996

NOTE: This is the prepared text and may not reflect changes made in actual delivery.

Testimony
before the House Subcommittee on Western Hemisphere
Administrator Thomas A. Constantine
Drug Enforcement Administration
June 6, 1996

Introduction

Mr. Chairman and Members of the Subcommittee: I appreciate this opportunity to appear before you today to discuss narcotics control efforts in the Western Hemisphere. The Drug Enforcement Administration is appreciative of the support that the subcommittee and the entire International Relations Committee have provided us over the years, and we look forward to working with you in the coming months.

Since I last appeared before the Subcommittee in March, there have been some improvements in our cooperative narcotics control efforts with countries in this hemisphere, notably Mexico. However, some major challenges still need to be met before we can confidently say that efforts aimed against the world's most powerful drug traffickers have been effective.

Today's well financed and sophisticated international narcotics traffickers are the organized crime figures of the 1990's. For over thirty years, Americans have had a view of organized crime as a group of individuals involved in extortion, loan sharking and gambling. Our experience, up until now, has been limited to members of organized crime families like those making up the La Cosa Nostra. Today, we are facing a new breed of international organized criminals whose power and influence make America's mafia look like child's play.

These groups are operating out of Colombia and Mexico, and their leaders control the vast majority of drug trafficking within the United States. There is no doubt that the crime that impacts communities across the United States is attributable both directly and indirectly to organizations such as the Cali mafia, and the groups within the Mexican Federation --- the Sonora cartel, the Tijuana organization, the Gulf Group and the Juarez cartel. .

The relationship of the foreign drug mafias with crime in our communities was clearly demonstrated in May of this year when arrests, made as a result of Operation

Zorro, clearly documented the domination of drug trafficking in America by the groups in both Colombia and Mexico. The handiwork that began in the boardrooms in Cali and ended in the housing projects in Richmond Va. employed hundreds of Colombians, Mexicans and Americans to transport and distribute their poison throughout our country was totally controlled by the criminal syndicates. This case is historic because it clearly identifies the absolute dominance of the groups of the cocaine trade in the United States. Zorro II also demonstrated that with a joint effort of the U.S. Attorneys, DEA, FBI, other Federal, state and local law enforcement agencies we can be successful by attacking the command and control functions of the drug mafias. More importantly with this strategy combined with continued cooperation allows us to be successful all along the seamless continuum of the drug trade, effectively dismantling the entire network from Cali and Sonora to Rocky Mount, North Carolina.

Zorro II is particularly important because for the first time we dismantled not only the U.S. infrastructure of a Colombian organization producing the cocaine, but also that of the organization from Mexico that provided the transportation. During the course of this 8-month investigation, law enforcement officers coordinated and shared information gleaned from more than 90 court-authorized wiretaps. The operation involved 10 Federal agencies, and 42 state and local agencies across the country, including 11 from California, and 10 U.S. Attorneys' offices. As a result of the operation, we seized over \$17 million and almost 5,600 kilos of cocaine, and arrested 156 people.

The leaders of these organizations --- the Rodriguez Orejuela brothers, the members of the Arellano Felix organization, and the Caro Quintero organization, to name a few --- bear responsibility each time a state trooper making a routine traffic stop, or an innocent bystander is killed by drug traffickers in the United States.

As we learned from our experience with the a Cosa Nostra over thirty years, organized crime cannot flourish without the corruption of individuals and institutions. Mafia leaders, wherever they operate, are masterful at bribing and intimidating government and law enforcement officials to turn a blind eye towards their activities. Corruption and drug trafficking are synergistic, and all nations, including the United States, must be mindful of the connection between these two plagues.

In three days, we will mark the first anniversary of the beginning of the end of the

Cali mafia. On June 9, 1995, Gilberto Rodriguez Orjeuela was arrested by the Colombian National Police, setting off a chain reaction which culminated in the arrests of six of the seven top Cali mafia leaders in the last year. As we note this anniversary, we should assess where we are today in the international drug trade, and what our prospects are for success in the long term, as we work with other nations to eliminate major drug trafficking organizations. DEA continues to work closely with officials in foreign countries to target the highest levels of the international drug trade in Colombia, Mexico and other countries where drugs are produced and transported.

The Cali Mafia and the Situation in Colombia

The significance of last year's arrests cannot be overstated. Masterful police work on the part of the Colombian National Police, working with DEA and other U.S. Government agencies, led to these arrests which represent the most serious blow to international drug trafficking in history. During the months following these arrests, the world learned how influential these traffickers really were within the Colombian Government and Colombian institutions. Dating back to the first series of raids in Cali in 1991 and in particular after the three Cali principals arrests in 1995 thousands of key documents depicting the Cali Mafia's financial empire have been seized.

Those documents were the evidentiary basis for instituting sanctions provided for in the Executive Order signed by President Clinton in 1995 pursuant to the International Emergency Economic Powers Act (IEEPA). Currently, 282 individuals and companies of the Cali mafia have been placed on the IEEPA list. The IEEPA sanctions have had a profound impact on the Rodriguez Orejeula family and their businesses and their ability to conduct business in both the national and international marketplaces. Several major financial institutions in Colombia have terminated all business with the specified Cali mafia front companies.

President Samper and numerous members of his Cabinet are still under investigation stemming from allegations that drug money was used to finance his campaign. The results of this investigation will have a lasting impact on the future of Colombia. The Cali mafia had operated with virtual impunity for the past fifteen years. Their influence was not limited to Colombia; mafia leaders conducted business from the Cali headquarters, ordering assassinations within the United States and directing business transactions through

phone and fax communications. It is critical the pressure be maintained on the remainder of the Cali infrastructure to insure its total demise.

Recently, one of the Cali leaders, Victor Patino Fomeque was sentenced to twelve years in prison on drug and murder charges. He will receive automatic sentencing reductions from these twelve years. While this is considered to be a harsh sentence by Colombian standards, this and the expected even lesser sentences for the Cali leadership are woefully inadequate for the level of criminality by U.S. and international standards. We are also concerned that there is insufficient security in Colombian prisons, as evidenced by the escape of Santa Cruz Londono earlier this year.

Despite the fact that the Cali leaders are in jail, the cocaine trade continues and there are indications that cocaine base production and transportation continues from the source countries of Peru and Bolivia. However we have received indications that enforcement efforts in source countries have forced traffickers to seek alternate routes and methods of transportation for cocaine base to Colombia. Traffickers from Mexico have taken a greater role in cocaine trafficking to the United States during the past year and new more violent groups are emerging in Colombia vying for control of the cocaine empire, since the arrest of the Cali leaders.

As I noted earlier, the Cali Mafia, which fashioned itself after the Sicilian Mafia and the La Cosa Nostra, became far more sophisticated and successful than its predecessors. However, in the transition stage since the Cali arrests, we have seen the same patterns of violence we observed in the La Cosa Nostra when the families fought to claim territory from fallen family leaders. Just recently William Rodriguez-Abadabia, the son of Miguel Rodriguez-Orjuela was wounded and six body guards killed during an ambush in Cali.

Between the growing sophistication of the trafficking groups from Mexico, the remnants of the Cali mafia, and the young violent groups emerging in Colombia cocaine production, transportation and trafficking are still flourishing. Complicating the Colombian situation is the fact that a very high percentage of heroin for sale on the streets of a number of major American cities is of Colombian origin. This heroin is relatively cheap with a purity of 90% in some cases.

ON TO MEXICO

Organized criminal drug syndicates in Mexico are versatile and well-established,

having been engaged in heroin, marijuana and cocaine trafficking for the past thirty years. During the late 1980's Cali traffickers turned to transportation groups in Mexico to assist them in smuggling their multi-ton loads of cocaine into the United States. This change in modus operandi was due in large part to successful enforcement and interdiction operations in south Florida and the Caribbean. Smuggling groups in Mexico were a natural choice for the Cali leaders since they had been smuggling heroin and marijuana across the southwest border since the late 1960's. Early on, the Mexican transportation groups were paid \$1000 to \$2000 per kilogram for their services. They would receive the cocaine in Mexico from a Colombian transportation group and smuggle it in to the United States and turn it over to a Colombian distribution cell. In the early 1990's they reached an agreement with the Cali infrastructure to receive payment for their services in cocaine. They began receiving half of every shipment of cocaine they transported. This had several immediate effects: first, it increased their profits by approximately 1000% and necessitated the expansion of their own distribution networks and commenced competition with Colombian distribution cells in the United States. More significantly it launched these already formidable crime syndicates on the road to enormous fortunes.

As I previously mentioned Zorro II gave an insightful look at the success and sophistication of these new distribution cells controlled by the members of the Mexican Federation. What we saw were parallel Colombian and Mexican distribution organizations operating with equal sophistication, controlling wholesale distribution of cocaine in a wide variety of locations throughout the United States such as Richmond Va., receiving their cocaine from the same Mexican transportation group who were supplied by Cali traffickers.

In order to appreciate the magnitude of Mexico's importance in the international drug trade, it is estimated that approximately 70% of the cocaine available in the United States transits Mexico. Traffickers from Mexico are also heavily involved in methamphetamine production and trafficking, the devastating effects of which are spreading across our country. Methamphetamine is a very potent and toxic drug. The common thread that runs throughout the methamphetamine trade is violence. From binge users to manufacturers to wholesale and retail distributors, violence is attendant to methamphetamine.

Methamphetamine has become a serious law enforcement and health problem, especially within the last two or three years. Methamphetamine production and trafficking were previously confined to the West Coast where outlaw motorcycle

gangs were responsible for the bulk of the methamphetamine available in the United States. Traffickers from Mexico have now taken over the trade, in some cases obtaining the necessary chemicals from Asia and Europe, and manufacturing the product from and controlling distribution, again maximizing their profits.

Methamphetamine seizures along the U.S./Mexico border rose from 6.5 kilograms in 1992 to 665 kilograms in 1995. There is an enormous amount of ephedrine, an essential ingredient in methamphetamine production, being shipped to Mexico. In an eighteen month period between June, 1993 and December, 1994, approximately 170 metric tons of ephedrine was diverted from the international commercial trade to Mexico. This amount of ephedrine is capable of having produced an estimated 119 metric tons of methamphetamine.

The impact of methamphetamine trafficking and use has been devastating to many cities and rural counties in the United States in areas as diverse as Iowa, Georgia and Florida. Deaths from methamphetamine have risen dramatically:

The production of methamphetamine, a substance which requires many chemicals, has a tragic impact on the environment. Many of the labs are often operated by individuals who have direct links to organizations based in Mexico, and these labs pose a hazard to both law enforcement officers investigating them, and also to residents in communities surrounding the labs.

The Mexican Federation

There are four major groups from Mexico operating under the umbrella of the Mexican Federation, an organized crime group which operates in many parts of Mexico.

The Tijuana Organization is headed by the Arellano Felix brothers, Benjamin, Francisco and Ramon. It is headquartered in Tijuana, Baja California Norte. This group controls smuggling across the border to California and is arguably the most violent of the Mexican organizations and has been connected by Mexican officials to the killing of Cardinal Juan Jesus Posadas-Ocampo at the Guadalajara Airport in 1993. During 1994, this group was engaged in a turf battle over methamphetamine territory in San Diego. 26 homicides were committed during one summer as rival groups battled over trafficking regions.

Benjamin Arellano Felix was indicted on May 2, 1989 in San Diego on charges of a continuing criminal enterprise which involved the importation and distribution of cocaine. Arellano Felix is frequently seen in Mexico and has never been arrested on these charges. Francisco Rafael Arellano Felix, his brother, was indicted in San Diego in 1980 for possession and conspiracy to possess cocaine.

The Sonora Cartel is headed by Miguel Caro Quintero, and operates out of Hermosillo, Agua Prieta, Guadalajara and Culican, as well as the Mexican states of San Luis Potosi, Sinaloa, and Sonora. Rafael, Miguel's brother, is in jail for his role in the killing of DEA Special Agent Enrique Camarena in 1985. The Sonora Cartel has direct links to the Colombian mafia and operates routes into California, Arizona, Texas and Nevada. Miguel Caro Quintero was indicted in Arizona for shipping two tons of cocaine from Mexico to Arizona, and he has been indicted twice in Colorado. He continues to be a fugitive.

The Juarez cartel is headed by Amado Carillo Fuentes, the most powerful figure in the Mexican drug trade. His organization is linked to the Rodriguez Orejuela organization in Cali, and has family ties also to the Ochoa brothers in Medellin, Colombia. For many years, this organization ran transportation services for the Cali mafia and used aircraft including 727's to fly drugs from Colombia to Mexico. He also used to move drugs from regional bases in Guadalajara, Hermosillo and Torreon. Carillo Fuentes has been indicted in Dallas and Miami, and has been a fugitive for eight years.

The Gulf Group was headed by Juan Garcia Abrego and is based in Matamoros, Tamaulipas State. It distributes cocaine in the United States as far north as Michigan, New Jersey and New York. DEA has reports that this organization smuggled in excess of 30 tons of cocaine into the United States. Humberto Garcia Abrego, Juan's brother, was arrested in October, 1994 by Mexican authorities. Juan Garcia Abrego, one of the FBI's Ten Most Wanted, was arrested on January 14, 1996. After his arrest Mexican authorities worked quickly to expel Abrego to the United States to face charges of conspiracy to import cocaine and the management of a continuing criminal enterprise.

The capture of these powerful drug traffickers, and the dismantling of their organizations operating on both sides of the border are the top priorities of the Drug Enforcement Administration.

Cooperation with the Government of Mexico

Both President Zedillo and Attorney General Lozano are committed to fighting narcotics and eliminating major drug trafficking organizations. They are cognizant of the negative consequences that unchecked cocaine trafficking has had in Colombia, and they are working to ensure that traffickers in Mexico do not become as well-entrenched and powerful as they had in Colombia during the past decade.

There are many obstacles facing the President and the Attorney General in their efforts, but despite these, some important steps are being taken by the Mexican Government to address problems created by major drug trafficking organizations. President Zedillo pledged in his State of the Union address that Mexico would pass comprehensive organized crime legislation. The Mexican legislature has passed, subject to the approval of the Mexican States organized crime legislation authorizing, for the first time, a witness protection program, judicially-approved electronic surveillance, undercover operations, conspiracy prosecutions, controls on the production of precursor chemicals and an interagency financial investigative unit, as well as providing for asset seizure and forfeiture for the proceeds of crimes covered by the Organized Crime Bill.

The Mexican Government has recently criminalized money laundering under the penal code. This new money laundering penal provision in effect since May 14, 1996 provides for sentences for violation of its terms, as well as a 50% enhanced sentence when the violator is a government official in charge of the prevention, prosecution, or investigation of money laundering offenses. In addition, the public official likewise is barred from public office for a period equal to the sentence.

Additionally, asset seizure and forfeiture provisions of the Organized Crime legislation have been approved by the Mexican legislative branch, and are awaiting approval from the Mexican states. These provisions cover the forfeiture of assets if it is determined that they were amassed as a result of organized crime or criminal activity.

The Mexican Government has also reformed the Penal Code to modernize provisions against the smuggling of precursor chemicals. Additionally, in March, 1996, the Mexican Government's Public Security Law became effective. This law helps Mexico professionalize law enforcement throughout the country, and includes provisions which direct law enforcement agencies to conduct comprehensive background investigations, adopt a code of ethical behavior and rotate personnel to help minimize corruption.

Cooperation between the United States and the Government of Mexico is improving. In May of this year I attended the Bi-National Commission meeting in Mexico City. As a result of the meetings held that week, the Government of Mexico has recently committed to providing additional training, equipment and financial support to the Bilateral Border Task Forces located in Tijuana, Ciudad Juarez, and Monterrey. These Task Forces, comprised of Mexican investigators working jointly with DEA and FBI agents are targeting specific major traffickers and their organizations. The Government of Mexico has proposed establishing an additional Task Force in Mexico City to target methamphetamine and precursor chemical movement throughout the country.

It is imperative for the Government of Mexico to arrest and incarcerate all the major traffickers who are significant players in the global drug trade. While the Government of Mexico has made some important improvements in their legal and penal codes, and has worked more cooperatively with the United States in recent months, some endemic problems, such as corruption and the enormous influence of the major traffickers, continue. Within the last several months, three top former law enforcement officials from Tijuana have been assassinated.. These killings are indicative of the impunity with which the Mexican crime syndicates feel they can operate and consistent with the intimidation and narco-terrorist methods of the Cali and Medellin Mafias.

We are encouraged that the Government of Mexico is working to professionalize their law enforcement organizations, a critical prerequisite for taking effective actions against the major traffickers and their organizations. This professionalization is already paying dividends. Just last week a Mexican military unit on their own initiative recovered a major portion of a shipment of cocaine that had been stolen by a corrupt INCD agent. Five individuals had been tortured and murdered in the Colombian traffickers attempt to recover the stolen cocaine prior to the military 's arrest of seven individuals and recovery of the cocaine.

Cuba

Because the United States Government has no formal diplomatic relations with the Cuban Government, and because Cuba is such a closed society to law enforcement, DEA and other U.S. agencies receive little human intelligence about the extent of drug trafficking in Cuba. Approximately 90 miles from the southeastern coast of the

United States, and a four hour flight from Colombia, Cuba lies amid the preferred Caribbean smuggling corridors.

Throughout the 1980's, both the Medellin cartel and the Cali mafia used airdrops and boat-to-boat transfers throughout the Caribbean and south Atlantic to facilitate the movement of cocaine into the United States. As the law enforcement pressure in the Caribbean increased, and with the growing strong ties between the Cali mafia and Mexican traffickers, the Colombian organizations increasingly used Mexico as the preferred route for cocaine trafficking to the United States in the late 1980's and early to mid-1990's. It is possible that increased law enforcement pressures along the Southwest Border, and with a new second-tier of members of the Cali mafia whose ties to the Mexican traffickers are less secure than their predecessors', the importance of the Caribbean will increase once again.

DEA reporting indicates that maritime smugglers skirting the coast of Cuba frequently duck within the 12 mile limit of Cuban territory, where they cannot be pursued, in order to avoid law enforcement action by Operation BAT (Operation Bahamas, Turks and Caicos). Cuban naval or Coast Guard vessels take no action to prevent smugglers from using their waters for concealment.

Pilots have utilized Cuban airspace to mask their routes. The DEA office in Nassau, the Bahamas reported that during the last two years, 28 flights positively identified as carrying cocaine crossed through Cuban airspace enroute to their drop-point. Three of these occurred in 1996.

While DEA has reported these incidents, there is no evidence that the Government of Cuba is complicit in these smuggling ventures. At the same time, we have no information about the extent to which, if at all, the Cuban Government acts to detect drug flights, and deny them access to Cuban airspace.

Conclusion

DEA is committed to working closely with officials of source countries as well as those in transit countries such as Mexico to incarcerate those responsible for the spread of their poison throughout the United States as well as the dismantling of their distribution organizations in the U.S. Again, I would like to thank you for the

opportunity to appear before you today, and I will be happy to answer any questions that you might have.

U.S. building Cuba drug case

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Proposed indictment names Raul Castro as key conspirator

By JEFF LEEN
Herald Staff Writer

Prosecutors at the U.S. Attorney's Office in Miami have drafted a proposed indictment charging the Cuban government as a racketeering enterprise and Armed Forces Minister Raul Castro as the chief of a 10-year conspiracy to send tons of Colombian cartel cocaine through Cuba to the United States.

President Fidel Castro is not listed among the 15 Cuban officials named as co-conspirators in a copy of the draft read by a Miami Herald reporter. Raul is Fidel's younger brother and closest confidant.

As Cuba's head of state, Fidel technically could be immune from U.S. prosecution. The 17-page draft does not state that he either knew of or participated in any drug trafficking.

But the document does allege longstanding institutionalized smuggling by Fidel's government in a partnership with Colombia's Medellin Cartel, the world's biggest cocaine traffickers during the 1980s.

"The Cuban government facilitated the transportation and distribution of large quantities of cocaine destined for the United States, including South Florida," the draft states.

Fidel, 66, has repeatedly denied over the years that he permits his government to traffic in drugs. The Cuban Interests Section in Washington and the Cuban mission at the United Nations said no spokesmen were available Wednesday to comment on the draft indictment.

By law, U.S. Attorney Bob Martinez is not permitted even to discuss the existence of federal

grand jury investigations. His office refused to comment on the case when contacted by The Herald.

But the existence of the draft indicates that prosecutors believe they have enough evidence to make a case. A finished indictment would require Washington approval before prosecutors could make a final presentation to the grand jury and obtain formal criminal charges. Sources say that could happen within months.

The implications of the Miami draft indictment are vast and unexplored. The 1988 Miami federal drug indictment of Gen. Manuel Antonio Noriega led to that dictator's ouster by U.S. invasion in December 1989.

An indictment of the Cuban government would raise U.S. foreign policy questions of the highest order and place America's 30-year war of nerves with Cuba on the brink of another flash point.

The proposed Cuban indictment is historically significant because it names the entire government of Cuba, including its Armed Forces and Interior ministries, as a criminal organization. Racketeering law gives the U.S. government a broad mandate to seize certain assets of such organizations, which would theoretically subject the Cuban boats, planes or foreign bank accounts used in the conspiracy to forfeiture actions.

Raul Castro, 61, would risk capture by U.S. agents whenever he stepped on foreign soil, as would the other Cuban officials named in the draft.

A MILESTONE

*U.S. has never indicted
a foreign government*

U.S. prosecutors have never brought a criminal indictment against a foreign government.

When Noriega was indicted, he was charged as an individual along with his henchmen, but the government of Panama was not named.

The draft indictment of the Cuban government is the result of months of secret testimony before a federal grand jury in Miami.

The case is a direct outgrowth of last year's successful drug prosecution of Noriega, the Panamanian strongman convicted of selling safe passage through Panama to the Medellin Cartel.

Testimony implicating Raul Castro in the Noriega trial has been bolstered by accounts from Cuban defectors and jailed drug traffickers, pieced together with old Miami drug cases that always seemed to stop just short of documenting a direct connection to the Cuban government.

The investigation targeting the Cuban government has been given a high priority by U.S. Attorney Martinez, according to law enforcement sources.

SHAKING FOUNDATIONS

*15 high-ranking officers
tied to cartel pipeline*

The case promises to shake the foundations of Fidel Castro's beleaguered government, already beset by dire financial conditions and an increasingly isolated position in the world.

Among the 15 named with Raul Castro: Manuel Piñero Losada, a firebrand revolutionary who for more than two decades served as Cuba's chief coordinator of leftist movements in Latin America, and Abelardo Colome Ibarra, Cuba's interior minister.

The draft alleges that Raul, Piñero, Colome and 12 high-ranking officers in Cuba's Armed Forces and Interior ministries, along with former Interior Minis-

ter Jose Abrantes Fernandez, operated a pipeline that allowed the Medellin Cartel to bring at least 7.5 tons of cocaine through the island nation between 1980 and 1990.

"In return for substantial sums of money, Raul Castro exploited his official position by offering narcotics traffickers the safe use of Cuba, including Cuban airspace, as a location for the transshipment of multihundred kilogram loads of cocaine destined for the United States," the draft states.

The draft also alleges that Pinoero — the infamous "Barba Roja" (Red Beard), who traveled the hemisphere fomenting Marxist revolution — actually was planting the seeds of cocaine trafficking, brokering drug deals between the Medellin Cartel and the Sandinista government of Nicaragua.

Sketchy accounts of the grand jury investigation of Cuba first surfaced publicly in January. By then the investigation had been under way for nine months. Sources suggested at the time that the evidence against the Cubans was weak.

But the proposed indictment now indicates that federal prosecutors have made the final link to the Cuban government, the fabled "Case against Cuba" that has been talked about, rumored of and speculated on for more than 10 years.

Castro's government has long been suspected of using cocaine trafficking as a means of both raising hard currency for Cuba and debilitating the hated capitalists to the north.

Detailed allegations about Cuban government involvement in drug smuggling date at least to 1982, when four Cuban officials, including a vice admiral in the Cuban navy, were charged with importing marijuana into South Florida. But the Cuban officials were never arrested or brought to trial.

After new allegations about Cuban cocaine smuggling surfaced in the late 1980s, Fidel Castro staged his own highly publicized trial of 14 Interior Ministry and army officials in the summer of 1989 — many believe to head off brewing discontent among leaders who favored liberalizing the island's dictatorship.

Castro's trial took on a show quality as the condemned

appeared before the cameras to confess their complicity. Cuban prosecutors accused the conspirators of smuggling six tons of cocaine through Cuba between 1986 and 1989 in league with Medellin Cartel boss Pablo Escobar Gaviria.

"There has never been a judicial process with so much... information, clarity, and fairness," Fidel said after the trials concluded.

AN OPEN QUESTION

Could Fidel Castro be charged under U.S. law?

The Miami draft indictment casts fresh doubt on the legitimacy of the Cuban trials.

Back then Fidel fired Abrantes, his interior minister, for negligence for failing to prevent drug trafficking in the ministry. Fidel then replaced Abrantes with Colome. But the Miami draft names both Abrantes and Colome, alleging that the conspiracy was much broader and deeper than the one unearthed at the show trials.

Still, the draft indictment, for all its depth, does not directly touch Fidel.

Even if such evidence emerged, it's an open question whether Fidel could be charged under U.S. law.

Recognized heads of foreign governments enjoy "head of state immunity," blanket protection from U.S. criminal prosecution. Noriega did not have it, even though he was the de facto leader of Panama.

Douglas Gray, a State Department spokesman, said the United States recognizes Castro as Cuba's head of state even though, "We don't have relations with the Cuban government." Gray described the recognition as informal.

But another State Department spokesman said the matter is a bit unclear.

"We don't recognize the Cuban government, we don't have an embassy there, we don't have any formal relations with the Cuban government," State Department spokeswoman Mave Dwyer said. "So there's no legal expression recognizing him as the head of state. It seems like a simple question, but it's not."

The Miami prosecutors who indicted Noriega had a clearer legal argument on the head of

MH

APR 8 1993

CONT.

state issue, but they still had to overcome steep obstacles before they could make their case. The Noriega indictment required a meeting of the National Security Council and approval by the Justice and State departments before it became a reality.

FIDEL NOT MENTIONED

But Cuban regime linked to savage criminals

Fidel himself may not be mentioned in the draft indictment, but the document contains allegations that portray a regime dedicated to drug trafficking and closely linked with the world's most savage criminals.

The Miami grand jury investigation goes much higher up the Cuban ruling hierarchy than the Cuban show trials and alleges the smuggling of considerably more cartel cocaine — a total of at least nine tons.

The draft indictment is built out of several old Miami drug cases and several new drug informants, including recent Cuban pilot defectors and jailed Medellin cocaine cartel chieftain Carlos Lehder Rivas.

Among the allegations in the draft indictment:

■ Lehder traveled to Cuba in 1979 to negotiate the opening of an air-smuggling route over the island with Cuban government officials.

■ Lehder hammered out the deal with the help of fugitive U.S. financier Robert Vesco and eventually met with Raul Castro in 1982. In partial payment, Lehder presented the Cuban government with an airplane.

■ In exchange for millions of dollars, Raul Castro assured Medellin Cartel leaders that the Cubans would protect their cocaine shipments. Special radio frequencies were provided to make Cuban airspace friendly to drug pilots, who were also allowed to land on Cuban soil with their loads of cocaine.

■ With this special frequency, the traffickers could enter and exit Cuban airspace without molestation," the draft states.

■ Cuban officers used their radar facilities to warn smugglers of approaching U.S. Coast Guard

cutters.

■ Drug planes were allowed to drop their cocaine loads to smuggler vessels waiting in Cuban waters.

■ The cartel leaders were allowed to live in Cuba and were provided with housing, cars, security and entertainment.

■ The Cubans interceded with other countries to provide the cartel with smuggling routes in Panama, Mexico and Nicaragua.

■ The Cuban government joined with the Marxist Sandinista government of Nicaragua in a cartel plot to send 1,462 pounds of cocaine to Miami in 1984. The plot was penetrated by DEA informant Barry Seal, who flew the drugs from Nicaragua to Miami. The drugs were seized but no Cuban or Nicaraguan officials were ever charged.

The grand jury investigation targeting Cuba is being managed by four assistant U.S. attorneys: Michael Patrick Sullivan, Guy Lewis, Thomas Mulvihill and Andres Rivero. Sullivan and Lewis scored the successful prosecution of Noriega last year. Mulvihill won convictions against South Florida traffickers who used Cuba as a base in 1987. None would comment Wednesday.

Additional prosecutors in support roles and U.S. Drug Enforcement Administration agents are devoted to the investigation.

A SURPRISE WITNESS

Drug lord Carlos Lehder outlined allegations

The Cuban case received a key boost with the 11th hour testimony of a surprise witness at the Noriega trial in November 1991: Lehder.

In the course of five days on the witness stand, Lehder outlined the allegations against Raul and Piñero. Lehder, then the cartel's transportation chief, needed new smuggling bases to avoid the law enforcement heat he was experiencing in the Bahamas.

Lehder, the only Medellín Cartel leader ever to stand trial in the United States, said the cartel turned to Cuba out of purely business motives with no regard for ideology.

"I donated a plane to Raul Castro," Lehder said. "The agree-

ment was reached that, if necessary, I could use Cuban territory to funnel cocaine to the United States as well as Cuban airspace to fly drugs to the Bahamas."

Lehder said he met Raul twice and received crucial Cuban assistance to get the Sandinistas to cooperate with the cartel in 1984.

"It was not the Sandinistas, it was the Cubans who controlled that cocaine conspiracy," Lehder testified. "The Sandinistas would not lift a finger without their cooperation."

Lehder said the cartel decided to use Nicaragua because they were having problems with Noriega, who was demanding a bigger cut of the smuggling through Panama. Lehder also said Piñero coordinated the Nicaraguan smuggling pipeline.

"Manuel Piñero interceded with the Communist Sandinista government in securing the Medellín Cartel official Sandinista government protection for cocaine shipped from Nicaragua to the United States," the draft states.

Piñero has been identified by American intelligence agencies as the top spy master in the Western Hemisphere for the DGI, Cuba's foreign-intelligence department.

No documentary evidence was introduced to support Lehder's testimony.

Lehder, once a billionaire smuggler who admired Adolf Hitler, chose to testify for the U.S. government after he received life plus 135 years in a 1988 drug trial in Jacksonville. In exchange for his testimony, Lehder was moved from the federal penitentiary in Marion, Ill., the nation's strictest, and eight of his family members were flown out of Colombia at U.S. government expense.

Noriega's attorney's attacked Lehder's statements, presenting evidence that Lehder had previously denied personal knowledge of Cuban drug smuggling.

So far, Noriega is not cooperating with the grand jury investigation of Cuban drug smuggling.

In response to Lehder's testimony, Anel Ricardo, spokesman for the Cuban Interests Section in Washington, ridiculed the allegations and called the trial "a political show."

The man who Lehder said helped him seal the deal in Cuba now lives in that country under government protection: Vesco, a fugitive from U.S. charges that

MH

APR 8 1993

CONT.

he swindled \$392 million from mutual fund investors and secretly gave \$200,000 to Nixon's 1972 campaign to block a securities investigation.

Vesco, who Lehder said joined him in smuggling through the Bahamas, is not named as a conspirator in the draft indictment.

A FRESH ELEMENT

Alleged conspiracy dated back to late 1970s

A fresh element of the draft indictment is that it dates the alleged conspiracy back to the late 1970s — at least seven years before the conspiracy outlined in the Cuban show trials.

Lehder and Vesco allegedly met in 1981 with Col. Antonio de la Guardia, a onetime favorite of Fidel, and Maj. Amado Padron, both members of the Interior Ministry. De la Guardia and Padron were among the four men executed after the show trials.

Another key Miami drug case merged into the draft indictment is a 1987 investigation that resulted in charges against 17 people for smuggling at least 2,000 pounds of Colombian cocaine into South Florida with help from the Cuban military. But no Cuban officials were named in those cases.

In that case, an undercover government informant posing as a drug smuggler flew into Cuba's Varadero air base using Cuban radio frequencies and a MiG fighter escort.

"You can't land a plane at a Cuban military base with Cuban fighter jets standing nearby without approval from the highest levels," then-U.S. Attorney Dexter Lehtinen said in 1988.

Smugglers were captured on videotape bragging about their elite connections in Cuba:

"I've flown to places in Cuba that nobody does," said Ruben Ruiz, a 29-year-old Miami man whose father coordinated the smuggling with Cuban officers.

"I'm talking military runways; I'm talking camouflaged MiG 23s. ... You know the big military coast guard boats, the ones equipped with all the radars? ... Two torpedo boats go out with

the [drug boats] and they scan the whole way out and they tell you, "Go this way, go that way."

Ruiz said the Cubans who helped them came from "the toppest channels in Havana."

Ruiz's father, Reginaldo, boasted, "The money that was paid down there is in the drawer of Fidel." But U.S. officials said they had no direct evidence of Fidel's involvement in the drug trade.

The most recent smuggling acts mentioned in the draft involve a huge 4,000-kilo (8,800 pounds) load imported into the United States through Cuba in August 1988 and a 480-kilo (1,060 pounds) load sent through in early 1989.

The draft indictment, like Castro's drug trials of 1989, locates the heart of the alleged Cuban drug conspiracy in a secret section of the Interior Ministry charged with smuggling needed technology out of the United States in defiance of the U.S. trade embargo with Cuba.

The drug shipments were coordinated by the "MC" — Moneda Convertible (Convertible Currency) — an elite intelligence group within the Cuban Ministry of the Interior, which Raul Castro controls, the draft states.

Seven Interior Ministry operatives convicted by the Cuban military court in 1989 are named in the Miami draft indictment: Col. Antonio de la Guardia, Lt. Col. Alexis Lago Arocha, Maj. Amado Padron Trujillo, Maj. Antonio Sanchez Lima, Capt. Rosa Maria Abierno Gobin, Capt. Jorge Martinez Valdes and Capt. Eduardo Diaz Izquierdo. De la Guardia, Padron and Martinez were executed, Lago, Sanchez and Diaz got 30 years. Abierno got 20.

The draft indictment also mentions an eight person toppled in Cuba's 1989 drug scandal, then-Interior Minister Abrantes, who was fired for negligence and imprisoned by Castro for not preventing the drug trafficking. He died two years later after a heart attack in his cell.

The other Interior Ministry officials named in the draft are: Rafael Urra, charged with coordinating smuggling in Barlovento; Col. Armando Urra, brother of Rafael, alleged smuggling coordinator for Cayo Largo; Capt. Leonel Estevez Soto; and Capt. Gabriel Prendes Gomez.

Also named is Cuban Army Gen. Nelson Blanco, who allegedly coordinated smuggling through the port of Varadero.

Named as uncharged co-conspirators are Medellin Cartel chief Jorge Luis Ochoa and his brothers, Fabio and Juan David. The draft alleges that Juan David traveled to Cuba and organized shipments there.

Cartel ultimate leader Pablo Escobar, touted as the world's biggest cocaine trafficker, dealt with the Cuban government through three lieutenants, Jairo Duran, William Moncada and Enrique "Kiko" Moncada, the draft states.

Conspicuous among the names missing from the draft indictment is that of Gen. Arnaldo Ochoa Sanchez, a former commander of Cuban troops in Angola who was emerging as a leader of the military's disaffection with Castro's regime.

Ochoa was charged in the 1989 show trials and executed.

In October 1991 Ochoa's widow told the Havana correspondent of the Madrid newspa-

MH

APR 8 1993

CONT.

per El Mundo that "Fidel and Raul Castro were always aware of that traffic, and they encouraged it as a fair way to get financial resources for the revolution."

Last year, a revealing letter written by one of Ochoa's co-defendants in the 1989 show trials surfaced in the French daily Le Monde. The author was Gen. Patricio de la Guardia, whose twin brother Antonio was executed after the trials.

Patricio, who is serving 30 years in prison, wrote that the drug trafficking was ordered by the "highest levels of the Cuban government."

In Cuba, the highest level is synonymous with the Castro brothers.

"I am more than sure that my brother Col. Antonio de la Guardia y Font was more than authorized to carry out the undercover operations for which he was found guilty and executed," Patricio wrote.

Potential cocaine available for consumption in US/world market **531**

The map illustrates the flow of cocaine from production areas in South America (primarily Colombia and Peru) through transit zones (Central America and the Caribbean) to consuming countries in North America (United States and Mexico). Arrows indicate the direction of transport. A separate arrow points from South America towards Europe.

Seizures by consuming countries **119**

Potential cocaine available for US/world market **650**

Seizures by transit zone countries **49**

Potential cocaine leaving South America **699**

Seizures in South America **81**

Estimated potential cocaine production **780**

to Europe

United States

Brazil

Argentina

Chile

Peru

Bolivia

Ecuador

Venezuela

Colombia

Guyana

Suriname

French Guiana (France)

Trinidad and Tobago

Dominica

Saint Vincent and the Grenadines

Jamaica

Haiti

Cuba

Dominican Republic

Aruba and Curaçao

Mexico

Guatemala

El Salvador

Nicaragua

Panama

Honduras

Costa Rica

Paraguay

Uruguay

Boundary representation is not necessarily authoritative.

^b Does not include US nonfederal seizures.

Boundary representation is not necessarily authoritative.

	1992	1993	1994	1995
Estimated potential cocaine production	835	715	760	780
Seizures within South America	70	80	80	81
Potential cocaine leaving South America	765	655	680	699
Seizures by transit zone countries	75	80	50	43
Potential cocaine available for US/world market	690	575	630	650
Seizures by consuming countries ^a	140	135	145	119
Potential cocaine available for consumption in US/world market	550	440	485	531

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